

February 2, 2024

Submitted through https://www.regulations.gov

Joel Christie
Acting Secretary
Office of the Secretary
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, D.C. 20580

RE: Request for Comment on the Petition for Rulemaking of PIRG and iFixit [Docket ID FTC-2023-0077]

Dear Acting Secretary Christie:

The Alliance for Automotive Innovation ("Auto Innovators") appreciates the opportunity to provide comments to the Federal Trade Commission ("Commission") in response to the petition for rulemaking in this matter. When it comes to right-to-repair, the automotive sector is the gold standard to which all other industries are measured even while we design, manufacture, and sell products with safety-critical systems. We share the belief that consumers should have the right to repair their vehicle at a location of their choosing, whether inside or outside an automaker's authorized dealer network. As such, we welcome the opportunity to highlight our membership's leadership on this issue.

Auto Innovators represents the manufacturers that produce most of the cars and light trucks sold in the U.S., original equipment suppliers, battery makers, technology companies, and other value chain partners within the automotive ecosystem. Representing approximately 5 percent of the country's GDP, responsible for supporting 10 million jobs, and driving \$1 trillion in annual economic growth, the automotive industry is the nation's largest manufacturing sector.

In 2021, the Commission labeled the auto industry as a 'model' for providing consumers widely available options for repairing their vehicles when it released its report Nixing the Fix. For the auto industry, this assessment was not a surprise: automakers have long been supporters of consumer choice in vehicle repair and already provide all the service information, parts, and tools necessary to diagnose and repair a vehicle. In the same report, the Commission noted that, unlike other industries, "the car manufacturing industry has taken important steps to expand consumer choice," noting that "manufacturers agreed to sell the diagnostic and repair information that manufacturers make available to their dealers to car owners and independent repair shops." The report added that these efforts have "been raised as a model of self-regulation that could apply in

¹ Nixing the Fix: An FTC Report to Congress on Repair Restrictions

the broader right to repair context." The Commission's conclusions are still applicable today and underscore the effort being put forward by the auto industry to support consumer choice.

Currently, automakers make available all the service information, parts, and tools that are necessary to complete repairs. These resources allow for safe repairs at locations that range from authorized dealer networks to national repair chains to independent repair shops. The information even allows for consumers to repair vehicles themselves, if technically inclined. Simply put, vehicle owners can get their vehicles serviced in well-equipped shops by well-trained technicians: anytime, anywhere, anyplace.

Competition is alive and well in the automotive repair industry. Roughly 75 percent of post-warranty work today is completed outside of the automakers' authorized dealer networks.³ This competitive marketplace is possible because, as noted above, automakers make all of the information needed to diagnose and repair a vehicle available. This means independent repair shops already have access to the same diagnostic and repair information as authorized dealers.

To better understand how the auto industry established its pro-consumer policy on vehicle repairs, one should take into account several milestones over the past decade:

- In 2013, the auto industry commitment was codified into law as the 2013
 Massachusetts Automotive Right to Repair law. Through the use of specific and
 detailed technical standards, this law guaranteed independent repair facilities access
 to the same information and tools needed to diagnose and repair vehicles that are
 provided to auto dealers, while respecting consumer privacy and maintaining
 cybersecurity protections.
- In 2014, automakers and representatives of the aftermarket part manufacturing community came together to craft a national memorandum of understanding (MOU)⁴, in which automakers committed to follow the tenets of the Massachusetts law across the entire country. That MOU remains in place today.
- In 2023, the industry re-affirmed its commitment when the Alliance for Automotive Innovation joined with the Automotive Service Association (ASA) and the Society of Collision Repair Specialists (SCRS) two of the largest and most well-respected organizations that represent independent repairers in the Automotive Repair Data Sharing Commitment⁵. This Commitment builds on existing partnerships between automakers and independent repairers to guarantee needed access today and into the future.⁶

These obligations are serious and enforceable. Both the 2013 Massachusetts law and the 2014 MOU establish a dispute resolution process should an independent repairer be unable to access the information or tools needed to diagnose and repair a vehicle. In the decade since

³ Automotive Service Association

² Ibid.

⁴ Memorandum of Understanding - 2014

⁵ Automotive Repair Data Sharing Commitment - 2023

⁶ Tesla, Rivian, and Lucid have pledged to the same commitment.

passage/adoption, the formal dispute resolution process has not been triggered under either the Massachusetts law or MOU. Additionally, under the Massachusetts law, a consumer could also seek direct relief under the Commonwealth's consumer protection statute, which carries treble damages where a defendant willfully and knowingly violates the law. Again, in over a decade since the original passage, no such complaint has been filed. This is further validation that all the information needed to complete a repair is available in the marketplace.

While our 2023 agreement with ASA and SCRS renewed our members' underlying commitment to the principles of Right to Repair, the 2014 MOU remains in place today and is working well. The Commission's 2021 Nixing the Fix report cited the MOU as an ideal model for other industries to follow when looking to ensure consumer repair options. Specifically, the Commission stated that the automotive MOU "...had the effect of creating a broad, if not complete, right to repair in the automotive industry across the United States."

The MOU also had the foresight to recognize the automotive industry is constantly evolving. That is why it was intentionally future proofed. For example, as vehicles become more connected, certain categories of vehicle data may be accessible via telematic data systems. The MOU contemplated this evolution of the industry and addresses it; by explicitly requiring that automakers make repair data transmitted telematically available to independent repairers and vehicle owners if that information is needed to repair a vehicle, provided to an automaker's authorized dealer network, and not otherwise accessible through available tools. Despite false and intentionally misleading claims by some, there has not been a single vehicle repair identified that requires access to telematic data to complete. Not one. What is more, the 2013 Massachusetts right-to-repair law, the 2014 MOU, and the 2023 Automotive Repair Data Sharing Commitment all specifically state that if this type of information is ever needed to complete a repair and made available to authorized dealers, it must also be made available to the repair community. There is no loophole in which repairers would not have access to the information needed to complete a repair.

What is more, foreseeing the industry-defining shift toward electric vehicles, none of the above listed commitments distinguish among powertrains. Whether a vehicle is powered by an internal combustion engine or an electric motor, automakers are committed to these obligations. In fact, a serviceability standard for electric vehicles was recently adopted as part of California's Advanced Clean Cars II rule, regulations which will govern how EVs are built and sold. This provision was included with the support of our membership to ensure that safety and repair information about EVs is shared with dealers and independent repair facilities alike.

These facts should reassure the Commission that independent repairers and automakers are not at odds when it comes to right-to-repair. Rather, we are in lockstep on this fundamental principle: consumers should have choice when it comes to repair options and maintain the ability to have their vehicle serviced anytime, anywhere, anyplace.

It is important to note that the conversation about access to telematic data is not just about what types of data are transmitted and for what purposes, but also how the data is transmitted. Some have petitioned both Congress and various state legislatures for direct, bidirectional access to

vehicle systems, and sought to prohibit automakers from playing any role in authenticating or authorizing legitimate access to vehicle data and blocking unauthorized access. In a letter to all automakers last June about an initiative passed by Massachusetts voters in November 2020, the National Highway Traffic Safety Administration, the federal agency responsible for the nation's motor vehicle safety, said the ability to "remotely access and send commands that affect a vehicle's critical safety systems" presents a major motor vehicle safety risk that could be exploited by malicious actors to "remotely command vehicles to operate dangerously, including attacking multiple vehicles concurrently." Our members take their cybersecurity obligations to not only their customers but to the motoring public and all roadway users very seriously and have invested billions of dollars to harden vehicle systems from cyber-attack. These protections would be dramatically undermined by such proposals to grant unlimited numbers of third parties direct access to vehicle systems.

While it remains true that we are in an exciting and transformative moment for the global auto industry, our members recognize the important role that both an automaker's authorized dealer service centers and independent repair shops play in providing consumers with a positive ownership experience. This recognition aligns automaker, repairer, and consumer interests in ensuring a wide range of repair options are available, which can only be achieved through the availability of needed service information, tools, parts, and training.

Auto Innovators appreciates the opportunity to provide the industry's standpoint on such a critically important issue to consumers. We look forward to working with the Commission and others to advance a strategy that allows for all purchased consumer goods to have as many robust options for product repairs, similar to those that exist in the automotive sector.

Sincerely,

David Schwietert

Chief Government Affairs & Policy Officer

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