



**VIA EMAIL**

*Chairman*  
S. BECKER  
Nissan

November 10, 2010

*President*  
M. STANTON

The Honorable Ruth Teichman, Chair  
NCOIL Property-Casualty Committee  
Room 236-E Kansas State Capitol  
300 SW 10<sup>th</sup> Avenue  
Topeka, KS 66612-1504

**VEHICLE  
MANUFACTURERS**

Aston Martin  
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Dear Chairperson Teichman:

As you are aware from our November 4<sup>th</sup> letter, the Association of International Automobile Manufacturers, Inc. (AIAM)<sup>1</sup> is opposed to the proposed Motor Vehicle Crash Parts and Repair (“Model Act”) which will be considered by the NCOIL Property-Casualty Committee at the NCOIL Winter Meeting next week in Austin.

**AFFILIATES**

ADVICS  
Bosch  
Delphi  
Denso  
JAMA

Although we maintain our opposition to the Model Act for the reasons detailed in our previous letter, we would like to alert you to two other issues of particular concern to AIAM and its member companies. The amendment in Section 4.A.ii. recently offered by Representative Keiser (ND) creates the false expectation that certified crash parts are equivalent to those provided by an original equipment manufacturer (OEM). Consumers deserve a guarantee that aftermarket replacement crash parts are of like kind and quality to OEM parts in every instance. However, the presumption by the Certified Automotive Parts Association (CAPA) and others is that “certified” aftermarket crash parts are the *de facto* equivalent of OEM parts. NCOIL rejected this presumption in 2002 and 2005.

We are also concerned that the definitions of “aftermarket crash part” and “original equipment manufacturer (OEM) crash part” in the Model Act are imprecise and could result in misclassification of some OEM crash parts. In certain cases, automobile manufacturers use licensees, authorized suppliers, or authorized manufacturers to produce parts that are distributed under the OEM’s name. Under the definitions currently in the model act, these OEM parts could be incorrectly classified non-OEM parts.

As you know, in 2005, NCOIL adopted a resolution endorsing competition in the collision repair industry, warranty of parts by insurers and consumer disclosure of reimbursable parts by insurers. This resolution stands on its merits and the guidance it provides to the states. Again, in light of this action, AIAM believes a model law on aftermarket crash parts is not necessary.

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<sup>1</sup> The Association of International Automobile Manufacturers, Inc. (AIAM) is a trade association representing 15 international motor vehicle manufacturers who account for 40 percent of all passenger cars and light trucks sold annually in the United States. Nationwide, international automakers have invested over \$43 billion in U.S.-based production facilities, have a combined domestic production capacity of 4.2 million vehicles, directly employ over 80,000 Americans, and generate almost 600,000 U.S. jobs in dealerships and suppliers nationwide.

Thank you for considering our comments and opposition to the proposed Model Act. If you have any questions or need additional information, please contact Gordon Fry, AIAM's Director of State Relations, at (703) 247-2112 or [gfry@aiam.org](mailto:gfry@aiam.org).

Sincerely,



Michael J. Stanton  
President and CEO

cc: Members of NCOIL Property-Casualty Committee  
Members of NCOIL Executive Committee  
Candace Thorson, NCOIL Deputy Executive Director

