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European
Automobile
Manufacturers
Association

THE “EURO 5” COMITOLGY AMENDMENTS ON VEHICLE REPAIR INFORMATION – MYTH vs REALITY

“Raw Data” and the Vehicle Parts Business

Some parties would lead you to believe that the Parts Business in Europe is a David vs Goliath scenario. It is not. Competition is highly robust. The Independent After Market (IAM) control approximately 40% of the light-duty parts business and a staggering 57% of the heavy-duty parts business.¹ IAMs ‘cherry-pick’ what parts to invest in so they can maximise their profits - 5%-10% of the parts on a typical vehicle account for some 90% of parts sales in the EU. The IAM has selectively cornered 70% of this high-volume high-profit market.²

Vehicle Manufacturers (VMs) already provide all of the necessary parts information required by an Independent Operator (IO) online today via the parts catalogue. Independent repairers have access to all the same information as authorised repairers and they are not disadvantaged.

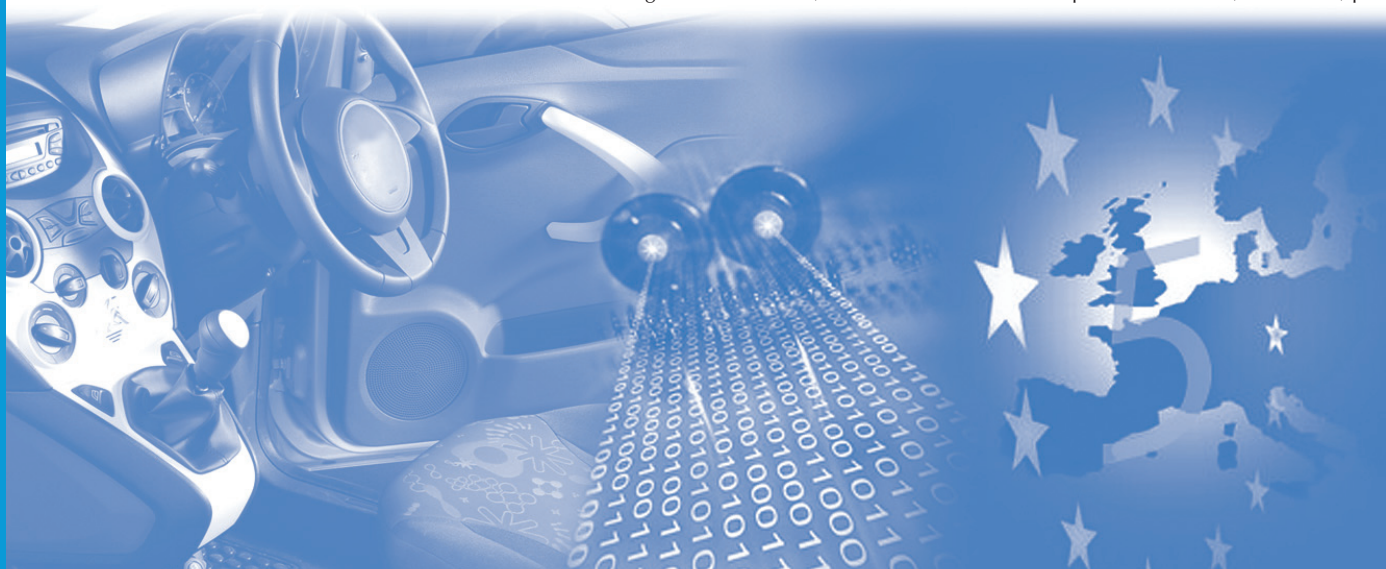
Parts identification by VIN is not the holy-grail. Most VMs rely on a wide and distinct variety of characteristics such as model year, vehicle qualification (engine size, type etc.) to assist the repairer to properly identify the right part for the right vehicle.

VMs respect the need for competition in the vehicle repair market. The Commission already accepted a task from the European Parliament and Council³ to report in mid-2011 if competition is an issue in the repair sector. This appears not to be the case, so pre-judgment in the absence of impact assessment is completely inappropriate.

¹ Boston Consulting Group, November 2007, “The European Commercial Vehicle Sales and After-Sales Landscape”

² Internally verified VM parts sales data

³ Article 9 of Regulation 715/2007, Official Journal of the European Union L171, 29.6.2007, p8.



Reprogramming and Vehicle Communication Interface (VCI) testing

VMs will be providing reprogramming of vehicle computers (modules) to the IAM in compliance with the standards SAE J2534 or ISO22900, as per the demands of the legislation.

In order to verify internal compliance with the standards, the VM will, at its discretion, conduct internal compliance tests with a selection of readily available VCIs. The VM does not derive any financial compensation from any VCI manufacturer for this. Its purpose is purely to satisfy internal questions of compliance and each test cycle takes between 6-8 weeks per VCI.

It is the legal responsibility of the VM to ensure that any modules on the vehicle that it makes reprogrammable comply with the prescribed standards. It is not the legal responsibility of the VM to verify that all independently developed VCIs comply with the legislated standards. It is right that this responsibility must rest with the VCI manufacturer.

Security Timing

VMs are spearheading the work at EU level to define a robust process for the delivery of security-related information to the IAM. A key consideration is to ensure that existing levels of vehicle security are not impaired by further extending the ability to reprogram security-related modules to the IAM.

The process to accredit and approve independent repairers is undergoing definition currently and is not yet finalised.

VMs are looking to implement existing best practice and existing EU provisions for European Accreditation. Implementation of security involves not just the VM but a wider group consisting of the European Accreditation Authority (EA), National Bodies in the member states, Trust Centres, and the IO organisations etc. They all have an important role to play.

The dependencies and the level of European-wide cooperation required means that completion of implementation will take until at least May 2011.

Any interim measures requiring ad-hoc VM-specific implementation will impair existing levels of vehicle security and is not warranted.

The VMs support this process, they do not block it. However, the complete system must be robust and secure when it is implemented EU-wide. Otherwise VMs fear that vehicle theft (inside and around the EU) will increase, vehicle insurance ratings will rise and consumers will be unfairly disadvantaged.

