



Property Casualty Insurers
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PCI Applauds Bicameral PARTS Act Legislation

WASHINGTON - The Property Casualty Insurers Association of America (PCI) applauds House Judiciary Committee Members Darrell Issa (R-CA) and Zoe Lofgren (D-CA) and Senate Judiciary Committee Members Orrin Hatch (R-UT) and Sheldon Whitehouse (D-RI) for introducing the Promoting Automotive Repair, Trade, and Sales (PARTS) Act today, which preserves competition in the collision repair parts industry.

Under this bill, alternative suppliers would be able to manufacture, test, market and distribute parts pre-sale without infringing upon the design patents. After the 2.5 year mark, alternative suppliers can offer American drivers an alternative source of quality repair parts that are anywhere from 26-50 percent more affordable than car company parts and often have longer warranties. In addition to ensuring the availability of alternative repair parts, the bill also preserves competition to the original equipment manufacturers (OEM) and encourages them to price their parts competitively. The PARTS Act would reduce the period during which car companies can enforce their U.S. design patents on collision repair parts against alternative suppliers for selling such parts from 14 to 2.5 years.

“PCI applauds Senators Hatch and Whitehouse and Representatives Issa and Lofgren for their leadership in introducing this bipartisan legislation. The PARTS Act is good for consumers, businesses, and the U.S. economy. It will encourage greater competition among parts suppliers because it benefits consumers,” said Nat Wienecke, PCI’s senior vice president of federal government relations. “Under current market conditions, the availability of quality aftermarket, or new, non-branded automobile collision repair parts has helped to bring about lower costs for replacement automobile parts.”

“This important legislation strikes a balance between protecting intellectual property and preserving competition in the collision repair parts market. We urge Congress to pass this bill,” said Wienecke.

PCI is composed of nearly 1,000 member companies, representing the broadest cross-section of insurers of any national trade association. PCI members write over \$190 billion in annual premium.

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