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PCI Applauds Senator Hatch for Raising the Importance of the PARTS Act

WASHINGTON — Nat Wienecke, senior vice president, federal government relations issued the following statement applauding Senator Orrin Hatch (R-UT) for raising the importance of the Promoting Automotive Repair, Trade, and Sales (PARTS) Act to preserve competition in the aftermarket parts market during today's Senate Committee on Judiciary hearing entitled "Oversight of the U.S. Patent and Trademark Office."

Last fall, Josh Sarnoff, professor of law at DePaul University College of Law, released a white paper highlighting that the PARTS Act is necessary to preserve a competitive aftermarket parts marketplace. The white paper is entitled "Protecting the Consumer Patent Law Right of Repair on the Aftermarket for Exterior Motor Vehicle Repair Parts: The PARTS Act, S. 812; H.R. 1879, 115th Congress." Senator Hatch submitted the white paper for the record at today's hearing.

"PCI applauds Senator Hatch for raising the importance of the PARTS Act to the competitive aftermarket parts industry during today's hearing," said Wienecke.

"Consumers should have the choice between original equipment manufactured parts or alternative sources of non-OEM parts to replace the cosmetic exterior parts of a car that are commonly damaged in an auto crash," continued Wienecke.

The PARTS Act would protect the patent law consumer repair right for exterior, non-structural, non-safety-related exterior collision repairs for motor vehicles. "Without this right, consumers may be forced to purchase much more expensive parts from the original equipment manufacturers, and the cost of those parts could make repairs not economically viable forcing the consumer to replace their car," continued Wienecke. "As the cost of auto repair is increasing, the availability of quality aftermarket, or new, non-branded automobile collision parts can save families money," said Wienecke.

In Sarnoff's paper, he confirms that "Congress has authorized patents only for things that are 'useful in themselves' and for design patents only for the overall appearance of 'articles of manufactured.'" Sarnoff continues, "Congress has not authorized design patents for parts of such functional articles, much less for 'machines' or for their parts. Congress also has not authorized patents for fragments of parts, notwithstanding an appellate court precedent in 1980 that has led to widespread patenting of designs for parts of useful products and for fragments of such parts."

Sarnoff also explains, "Legislation is needed to preserve the consumer repair right and the aftermarket for repair parts for legitimate exterior repairs to the original appearance of motor vehicles that embody such partial-product or fragment design patents. After all, consumers have already paid patented prices to purchase their motor vehicles."

"PCI calls on Congress to take up and pass the PARTS Act for the benefit of consumers," concluded Wienecke.

Joshua Sarnoff's white paper can be found [here](#).

PCI promotes and protects the viability of a competitive private insurance market for the benefit of consumers and insurers. PCI is composed of nearly 1,000 member companies, representing the broadest cross section of insurers of any national trade association. PCI members write \$220 billion in annual premium, 37 percent of the nation's property casualty insurance. Member companies write 44 percent of the U.S. automobile insurance market, 30 percent of the homeowners market, 35 percent of the commercial property and liability market and 37 percent of the private workers compensation market.

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