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The Quality Parts Coalition Applauds Bicameral and Bipartisan Reintroduction of the PARTS Act to Preserve Competition and Protect Consumer Access to Affordable Collision Repair Parts

Distinguished IP law professor says bill will, with respect to car repair parts, partially restore the design patent law to where Congress originally intended it.

April 4, 2017 – Washington, D.C. - The Quality Parts Coalition (QPC) overwhelmingly supports the “Promoting Automotive Repair, Trade, and Sales Act of 2017” or the PARTS Act, companion legislation reintroduced today in the U.S. Senate (S. 812) and House (H.R. 1879) to fight for and preserve American drivers’ access to alternative auto replacement parts, which are up to 50 percent more affordable than car company parts and save consumers \$1.5 billion every year.

The QPC applauds Senator Orrin Hatch (R-Utah), Senator Sheldon Whitehouse (D-R.I.), Representative Darrell Issa (R-Calif.), Representative Zoe Lofgren (D-Calif.), Representative Blake Farenthold (R-Tex.), and Representative Steve Cohen (D-Tenn.), senior members of the U.S. Senate and House Judiciary Committees, respectively, as well as Representative Jim Langevin (D-R.I.) and Representative Scott Perry (R-PA), for their continued leadership in cosponsoring this important consumer legislation.

Over the past 10 years, major car companies have secured nearly a thousand U.S. design patents on individual cosmetic collision repair parts such as hoods, fenders and mirrors. The number has dramatically increased since the 1990s, after failed attempts to get Congress to grant them special copyright-like protection for repair parts. "The PARTS Act would fix U.S. design patent law by preventing car companies from using their design patents to prohibit legitimate repairs with after market parts after 2.5 years, rather than 14 years, and from using their design patents in any way to prevent the manufacture of such parts.

The PARTS Act will, with respect to car repair parts, restore the design patent law to where Congress originally intended it.

“Congress did not intend or foresee partial-product design patents when it originally enacted the design patent law,” said Joshua D. Sarnoff, a distinguished professor of IP law at DePaul University in Chicago. “Using such patents to shut down the after-market in exterior collision repair parts was made possible only by judicial activism to over-extend patent protection, and these new partial-product

design patents conflict with the historic consumer right to repair purchased, patented motor vehicles to their original appearance.”

“The PARTS Act provides a limited solution to the problem, similar to the way Congress has remedied other patent problems created by courts,” Professor Sarnoff continued. “Specifically, it makes clear that making, offering for sale, and importing legitimate repair parts should never be considered infringing conduct, and it strikes a temporal balance with regard to the sales and use of such parts for legitimate repairs, limiting the infringement right in such cases to a short period, so as to avoid the need to distinguish permissible repairs from impermissible reconstructions.”

The PARTS Act is good for consumers, businesses and the U.S. economy. It would help to keep the costs of car repairs down by safeguarding access to affordable, quality alternative parts at more than 40,000 collision repair shops nationwide.

Enacting this legislation would put the U.S. in line with the United Kingdom, a number of other European countries, and Australia, which have already passed similar repair clause laws to benefit consumers.

“Any consumer that has been in a car crash or fender-bender has for decades benefited from competition in the collision repair parts marketplace between car companies and alternative parts suppliers,” said Ed Salamy, executive director of the QPC. “Even though car companies already control more than 70 percent of the collision repair market they are using a little-known patent maneuver to grow their monopoly and stifle competition at the expense of consumers.”

“We need to address this important consumer issue now more than ever, and we urge Congress to move swiftly with these bills to preserve a 60-year tradition of free markets and fair prices in the collision parts industry, and we thank the PARTS Act sponsors for their leadership,” Salamy continued.

ABOUT QPC

The Quality Parts Coalition represents the interests of the independent parts industry, repairers, insurers, consumers, and seniors. The goal of the Quality Parts Coalition is to develop and secure a permanent legislative change to U.S. design patent law to protect the consumer’s right to benefit from quality, lower-cost alternative replacement parts and to preserve competition. For more information, visit www.KeepAutoPartsAffordable.org.

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