



NEWS

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NCOIL AGREES TO CONTINUE EFFORTS TO IMPROVE PARTS COMPETITION

Newport RI. In an overwhelming 22 to 7 vote, members of the NCOIL Property and Casualty committee agreed to continue the effort to protect consumers from both the car company parts monopoly and poor quality parts. After hearing all the testimony, the committee turned aside an effort to kill the crash parts model bill and created a special committee to address the issues necessary to develop an effective and appropriate model bill.

Clearly, the members of the committee were not swayed by the fears and claims alleged by the car companies, dealers, and body shops who all said the status quo was just fine for them. "Of course it is just fine, with the current parts monopoly, car companies, their dealers and body shops can charge outrageous prices for simple stamped sheet metal and plastic parts," said Jack Gillis, Executive Director of the non-profit Certified Automotive Parts Association.

In spite of a variety of tortured arguments, incredible claims and convoluted reasons why the simple steps incorporated in the NCOIL Model Bill are impossible, the committee agreed that the issue was important and needed to be resolved. So much so that they called upon the hearing attendees to submit suggestions to improve the bill.

NCOIL's efforts are following some positive state action to improve competition and quality. New York, New Jersey and Iowa have regulations or laws favorable to certification. The District of Columbia is considering certification and the California legislature has begun some work and others are expressing interest.

"In the midst of all the rancor and accusations, CAPA continues to be the one and only organization working hard to successfully resolve the quality and market issues. We have set standards, listened to the industry, addressed problems

and continue as the one, positive force in the market. The result – parts are better than ever before,” said Gillis. “Which is no surprise, as certification has been embraced by the world for thousands of products.”

Gillis told the committee: “As you listen to the car companies and their compatriots, the dealers and shops – think back about the big drug companies and their partners, the drug stores when they fought like crazy against generic drugs. Just substitute car companies and their dealers with the drug companies and the body shops with the pharmacies and the arguments are the same. Remember them saying: ‘It’s impossible to make safe and effective alternatives, that drug companies have huge investments that need to be protected, and how in the world can generic drugs be effectively distributed.’ In a few minutes you’ll hear all these arguments again. But this time from the car companies and their partners the body shops. Only now it’s about simple stamped sheet metal and molded plastic car parts—not the drugs that we depend on for our health.”

Gillis also told the committee about recent GM and Ford activities. When GM recently implemented a multi-million dollar campaign to promote the fact that they tested an aftermarket bumper and a GM bumper and found that the GM bumper was better, they used the wrong aftermarket bumper in the tests. When Ford originally produced fenders for its controversial Explorer, it used aluminum. Later, after they achieved their fuel economy goals, they started selling steel fenders as replacements. They are substituting steel for aluminum and claiming that their parts are of like, kind and quality. That would never happen with a CAPA certified aftermarket part.

“The bottom line”, said Gillis, “is that forward thinking body shops and, most importantly, American consumers need and want quality competition. NCOIL has taken a positive step forward to insuring that this will happen.”

The Certified Automotive Parts Association, founded in 1987, is the nation’s only independent, non-profit, third party crash parts quality certification organization. CAPA certification identifies, for both consumers and the industry, those parts that meet our high quality standards for fit, form, finish, material content and corrosion resistance. For more information see www.CAPAcertified.org.

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