

SA should look to US' implementation of Right to Repair

According to Aaron Lowe, Senior Vice President, Regulatory and Government Affairs Auto Care Association, the United States' implementation of its Right to Repair legislation started four years ago and compliance with the requirements has been very good.

[Right to Repair SA](#)'s Director, Les Mc Master, says the US offers an interesting example of how the Right to Repair campaign has come into effect in countries around the world. "It is especially important for us to look at the US since South Africa is currently in the process of re-evaluating its own automotive industry practices. It re-enforces the importance of getting the Right to Repair concept legislated in South Africa," he says.



Les Mc Master

In November 2013, the Massachusetts Right to Repair bill was signed into law. With many other states bringing similar bills forward at that time, and to avoid 50 different sets of automotive repair laws, a Memorandum of Understanding based on the Massachusetts law was signed by industry stakeholders in early 2014. This is just the latest part of R2R legislation which protects the interest of consumers.

Lowe says that since the Right to Repair agreement with the manufacturers went into effect in 2014 car companies have been required to make available, at a reasonable cost, the same information, tools and software they make available to their franchised dealers.

New requirements

With the recent introduction of the model year 2018 vehicles, new requirements have come into effect that require car companies to maintain all of their repair and diagnostic software in the cloud and make it available for download on a subscription basis. Independent workshop technicians must be able to access the vehicle utilising a standardised interface meeting industry standards.

“In essence, these new requirements mean that a workshop should have the ability to repair nearly any vehicle that comes in without having to purchase proprietary tools that cost upwards of \$10,000 to \$20,000. While we believe that aftermarket tools will still be the choice for most shops, this will provide increased options for independent shops in repairing late model vehicles,” he says.

With a few exceptions, he says the vast majority of vehicle manufacturers claim they are fully compliant. “The Commonwealth of Massachusetts can take action under a consumer protection statute seeking damages to consumers as a result of non-compliance. We are going to do compliance checking in early 2018 to see if they are complying and if we find problems we will refer those issues to the State’s Attorney General.”

"Objectives of the Right to Repair campaign in South Africa nothing unusual"

Mc Master says this proves that the objectives of the Right to Repair campaign in South Africa are nothing unusual. “In the US the car manufacturers are complying with providing technical support to independent workshops. In SA both the current lack of access to information and the stringent framework surrounding warranty, maintenance and service plans, minimises, if not destroys, the consumers right to choose. We believe this imbalance needs to be addressed as it has been in the US since the ‘70s.”

Along with the aim to give motorists the right of choice, the Campaign aims to safeguard independent aftermarket operators’ right to exist and grow and to stimulate competition. “Only strong, entrepreneurial competition will result in advantageous pricing for consumers and ensure that local businesses can continue to provide quality service in the neighbourhoods they serve and support. Competition encourages investment,” says Mc Master.

Interestingly the price for a year’s subscription to access vehicle information in the US can amount to \$2,500 for a single brand. Asked about this cost and the reality that it is too high for the average workshop to afford, Lowe explains that it would be unaffordable if a repair shop was to purchase a one-year subscription for each make it services. “However, \$2,000 for an independent that specialises in a particular brand, a practice common in the US, would not be a great deal of money. Also, we anticipate that most independents will continue to use the aftermarket tools and information sources that permit cost-effective work on multiple makes and only use the OE cloud when they need to undertake a repair that is not supported by the aftermarket tool. The cost for a more limited multi-day subscription is considerably cheaper, less than \$75 in most cases.”

Guidelines have been legislated defining fair and reasonable terms relating to pricing. “OEMs have to adhere to these terms so pricing is being regulated to a certain extent,” he says.

Mc Master says it’s encouraging that SA authorities are seeing the need for change. “It’s also important that we learn from other countries around the world and use these learnings to find the right solution for our market,” he concludes.