



## Presentation

***Wil Botman***

**Secretary General of FIA**

Ladies and gentlemen,

FIA is the EU umbrella organisation of a worldwide alliance of automobile and tourist clubs. In Europe we have affiliated member clubs in all 27 Member States. As a non-profit organisation, our objective is to safeguard the consumer interests of 260 million EU vehicle owners.

In our today's context these interests can clearly be stated. EU vehicle owners spend every year almost € 100 billion for servicing and repairing their cars, about half of it for spare parts. What they need and what they have a right to get is

- prices of spare parts and servicing controlled by competition and
- a realistic chance to buy spare parts from a source of their choice and to have their cars serviced at a source of their choice.

Both of these rights - collectively known as the vehicle owners' "freedom of repair" - are seriously jeopardized or even eliminated if vehicle makers are given a "spare parts" monopoly generated unjustly off the back of design legislation. So far I refer to what my previous speakers have competently demonstrated.

We therefore fully support the Commission's proposal of a "Repairs Clause". And we urgently request the Legal Affairs Committee and the Council of Ministers to say "yes" to a solution which, by now, has been withheld from EU motorist consumers for more than 15 years.

Let me briefly comment on 2 issues which have been raised in this context:

*First*, it has been said that design protection is a means and necessary for ensuring that spare parts used on EU roads are "safe". *Safety* is FIA's first priority. We have made and continue to make significant and valuable contributions to improving road safety worldwide. However, design protection by its very nature *cannot* ensure safety and indeed is not necessary for ensuring safety. Since the 1970s the EU has been developing a specific safety regime – namely "type-approval" and nowadays "authorisation" – which all vehicle parts that are safety-critical must be subjected to. This highly effective regime is neutral to competition without compromising on safety. It does not lack a certain irony that, in the course of a safety study commissioned by the Parliament in 2006, the car industry which had initiated this red herring debate was unable to name a single case where a spare part supplied by the independent aftermarket had failed in the marketplace.

Campagne Européenne  
pour la Liberté du Marché  
des Pièces de Rechange  
et de la Réparation Automobile

Die europäische Bewegung  
für die Freiheit  
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und Kfz-Reparatur-Marktes

The European Campaign  
for the Freedom  
of the Automotive Parts  
and Repair Market



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*Secondly*, it has been said that car owners will not benefit from lower spare parts prices because car makers will raise the prices for their new cars accordingly. I doubt this. Since the new car market is highly competitive it is not possible to simply transfer monopoly rents from the spare parts to the new cars market. Where it so and were their total revenue to remain constant car makers would not so fiercely fight for a design monopoly. And after all, such cross-subsidising is not particularly social: Why should the student who needs a spare wing for his old “VW Polo” be forced to subsidize the price of a landlord’s new “VW Touareg”? To make it quite clear: Any vehicle maker is perfectly free to cross-subsidize his products but it is not the function of Intellectual Property Rights to enhance and sustain such practices.

Thank you for your attention.