



Quality Parts Coalition: Fighting to Preserve Competition

Increased Number of Design Patents on Crash Parts Means Less Work for Autobody Repairers

As autobody repairers return to their shops following the 2007 International Autobody Congress and Exposition (NACE), the Quality Parts Coalition (QPC) is urging the collision repair industry to support efforts to preserve competition in the replacement crash parts market. *

Due to a recent International Trade Commission (ITC) design patent ruling, consumers no longer have an alternative option for many quality replacement crash parts for the 2004-2007 Ford F-150 pickup truck. Indications are that the large automobile manufacturers may be strategizing to obtain restrictive 14-year design patents on visible components of many other new car makes and models, further monopolizing the auto repair parts market.

“We believe the automotive companies have a business plan to completely monopolize the replacement crash parts market,” said Eileen Sottile, executive director of the Quality Parts Coalition. “A win for the car companies will be a loss for repairers, bringing increased ‘totals’ and a shrinking market of reparable vehicles.”

Over the past five years, design patents awarded to the major automobile manufacturers have dramatically increased, growing to about 20 to 25 percent of the total U.S. patents awarded to those manufacturers. More important to autobody repairers, crash parts account for anywhere from 50 to 93 percent of the U.S. design patents awarded to the car companies. The ITC decision, in combination with this disturbing trend (represented in the chart below), means that without a permanent solution automaker design patent cases could effectively eliminate the entire alternative replacement crash parts industry.

“The auto company trend of increased design patents on crash parts should strike fear in the hearts of all autobody repairers,” said Don Feeley, president of repair shop City Body & Frame. “No matter how repairers feel about independent crash parts, competition in this marketplace keeps prices down. Loss of competition and higher prices will force insurance companies to declare more damaged vehicles as totals, meaning less work for our repair shops.”

The QPC is asking Congress to establish a “repair clause” in U.S. design patent law. If approved, the U.S. would join Australia, Belgium, Hungary, Ireland, Italy, Latvia, Netherlands, Poland, Spain and the U.K., who already ascribe to the repair doctrine and free competition. The amendment would specify that the making and use of a matching exterior auto part for purposes of repair to a vehicle is not an act of infringement. For more than 50 years, American consumers have had a choice when repairing a damaged vehicle and the QPC believes continued choice is essential for the future of the collision repair industry.