

Brussels, 12/09/2008

PRESS RELEASE

CLEPA Press release in response to the European Commission report on Motor Vehicle Block Exemption Regulation (EC) No 1400/2002

CLEPA sees a significant impairment of the free competition of repairing and maintaining of automotives, the so-called Automotive Aftermarket, if the European Commission were not to extend the detailed provisions of the current Motor Vehicle Block Exemption Regulation (EC) No 1400/2002 (MVBER). Scrapping the MVBER would be a wrong signal from the European competition watchdog, DG COMP, particularly regarding the automotive service and parts supply sector.

The current MVBER has, through specific and clear regulations, as well as definitions and the introduction of prohibitions increased legal certainty and advanced the competition between all market participants. The legal certainty enhanced by the MVBER stems notably from the explicit prohibition on contractual obligations which inappropriately discriminate suppliers and aftermarket operatorsø vis-à-vis the automotive manufacturers, thereby weakening the sector. In future, such a situation will not be achieved by merely referring to general, non-specific automotive regulations or the general prohibition on cartels. CLEPA is therefore convinced that it is imperative to extend the detailed provisions of the Motor Vehicle Block Exemption Regulation beyond 2010. Should the Commission not extend the MVBER, CLEPA demands the publication of clarifying concomitant annotations providing a clear message to the market that the regulations and bans will remain valid.

Only the continuation of the current regulations will in future allow consumers to be serviced by independent and authorised aftermarket operators, obtaining the same spare parts of original quality and the same service as in an authorised workshop. In CLEPAøs opinion this can only be assured by extending the detailed provisions of the MVBER beyond their expiration on 31st May 2010.

For more information, please contact Mr. Josef Frank, Director Aftermarket: Tel: +32 (0)2 743.91.27; e-mail: <u>aftermarket@clepa.be</u>

CLEPA in particular pleads to keeping the following regulations:

- **Dual Branding**, keeping dual branding, as the presence of a logo is of practical help to the consumer, in identifying the true origin of a component. Authorised and independent repairers and end-users should be able to identify the origin of a manufacturer of a spare part, in order to choose between competing providers and thereby create a level-playing field of operators.
- Access to repair information, aftermarket operators should have continued access to technical data as the regulations listed in the EURO-5 and EURO-6 Directives prove to be insufficient. The provisions listed therein only apply to new models from 2009 onwards, which leaves a significant segment of the servicing and repair market excluded. The automotive suppliers ask that the access to technical and repair information be extended to all forms of repair, not only to the technical situations listed.
- **Retention of the definitions in their current form**, preserving the current definitions of õoriginal spare partsö and õmatching qualityö in its current form.
- Freedom of choice for authorised repairers, it is important for repairers, whether authorised or independent, to be able to procure spare parts from a variety of sources.
- No restrictions by automotive producers for suppliersø in regard to supplying the free spare parts market, in particular through exclusivity commitments. At this point it must be made clear that this should also apply to exclusivity commitments in conjunction with products, know-how, research findings and industrial property rights developed by automotive suppliers.
- A prohibition on restrictions by car companies to prevent authorised repair shops from limiting their activities to servicing and supplies.
- No restrictions for authorised workshops, to sell spare parts to independent repairers

CLEPA believes that the abolition of the above-listed regulations, as well as the loss of legal certainty is contradictory to the European Commission*ø*s aim of free competition throughout the EU market, in the automotive service sector and the welfare of consumers in a competitive European economy.

CLEPA is the European umbrella membership organisation representing the interests of the global automotive supply industry. 80 of the world's most prominent suppliers for car parts, systems and modules and 27 National trade associations and European sectoral associations are members of CLEPA, representing more than 3,000 companies, employing more than three million people and covering all products and services within the automotive supply chain. Based in Brussels, Belgium, CLEPA is recognized as the natural discussion partner by the European Institutions, United Nations and fellow associations (ACEA, JAMA, MEMA, etc).

CLEPA aisbl Boulevard Brand Whitlock 87 BE-1200 Brussels

Tel: +32.2.743.91.30 Fax: +32.2.732.00.55 www.clepa.eu E-mail: aftermarket@clepa.be