

THE NEW DEFINITION IDENTIFIES 'ORIGINAL SPARE PARTS' AS THE FOLLOWING:

- Parts produced directly by the vehicle assembler.
- Components produced by the OE-supplier and branded with the logo(s) of the vehicle manufacturer and the parts manufacturer/supplier.
- Technically identical parts produced by the parts supplier, branded with their own logo and sold to the independent aftermarket.

Spare parts of 'matching quality' are identified in the following way:

Spare parts made by **any** undertaking which can certify at **any** moment that they match the quality of the components which **are** or **were** used for the assembly of the motor vehicles in question.

If the vehicle manufacturer himself offers spare parts of differing quality (e.g. an 'economy' line), he cannot prohibit its contractual partners (i.e. dealers and authorised repairers) from buying spare parts of the same quality from the independent market.

The BER also covers service and maintenance during the warranty period and **prohibits** vehicle manufacturer's warranties from including conditions requiring that:

- All normal maintenance be provided within the vehicle makers' network,
- All parts used must be the Vehicle Assembler's 'original spare parts'.

THE EUROPEAN COMMISSION DECLARED THAT SUCH CLAUSES IN A WARRANTY DOCUMENT WOULD REPRESENT 'AN UNJUSTIFIED RESTRICTION FOR THE CONSUMER!'

The ADF have written confirmation from OFT that:

Independent repairers **can** carry out normal maintenance and repair services during a vehicle's warranty period without invalidating the Vehicle Assembler's warranty conditions, provided...

...that the service is in accordance with the Vehicle Assembler's servicing schedules **and is recorded as such**. And...

...that the parts used are of 'appropriate quality' **and are recorded as such**.

The new BER helps parts distributors, independent garage and motorists.

If you need more information on this topic, or if you have evidence of Vehicle Assemblers (or their dealers) infringing these rules, contact the ADF office.

Published by:
Automotive Distribution Federation Limited
68 Coleshill Road
Hodge Hill
Birmingham
B36 8AB

Tel: 0870 458 2300
www.adf.org.uk

Note: This leaflet is intended to introduce interested parties to the topic of BER. It should not be taken as a definition of the law or proposed laws. Whilst every care has been taken in the compilation of this leaflet, the ADF can accept no liability for any event arising from its use.

YOUR CAR YOUR CHOICE

Independent garages can now carry out maintenance on your car without invalidating your vehicle assembler's warranty.

IN OCTOBER 2003, E.U. LEGISLATION AFFECTING THE MOTOR TRADE CAME INTO FORCE. ITS FULL TITLE IS 'BLOCK EXEMPTION REGULATIONS 1400/2002' (IN SHORT 'BER').

BER changes the way cars are serviced and repaired. It gives motorists a lot more freedom in their decision as to who should look after their cars.

Before BER, it was very difficult to have cars, which were still covered by the manufacturer's warranty, serviced anywhere except a franchised dealer.

Now motorists **can** use any garage of their choice to service their cars **without** invalidating the manufacturer's warranty.*



THE LATEST REVISION OF THE BER INTRODUCES FOUR 'FREEDOMS' THAT ARE AIMED AT SAFEGUARDING FREE COMPETITION IN THE ENTIRE MARKET FOR VEHICLE SPARE PARTS, SERVICE AND REPAIR. THEY AFFECT THE WAY IN WHICH THE PARTS DISTRIBUTOR CAN ACT IN THE MARKET. THIS MEANS:

1. Freedom for a franchised dealer and/or an 'authorised repairer' to purchase up to 70% of 'original spare parts' and 'matching quality' spare parts from independent market operators of their choice.

THIS MEANS? Parts Factors can supply parts of appropriate quality to Dealers and authorised repairers without the Vehicle Manufacturer/Assembler using dealer/repairer contracts or other means to prevent them.

2. The freedom for parts manufacturers/suppliers to sell their OE-components, without restrictions, to independent wholesalers or independent repairers.

THIS MEANS? Parts manufacturers can no longer be forced by their 'OE' contract to limit supply of certain parts of the Vehicle Manufacturer/Assembler. The end of 'tied parts' arrangements.

3. The freedom for parts manufacturers/suppliers to brand their 'original equipment parts' with their own logo.

THIS MEANS? Motorists and garages will be able to identify the manufacturer of a component when it is removed from a vehicle and source its replacement from any distributor. They will no longer feel that they 'have' to go to a dealer for a part.

4. An extension to the obligation on vehicle assemblers to pass on technical information to operators in the independent aftermarket. This information includes:

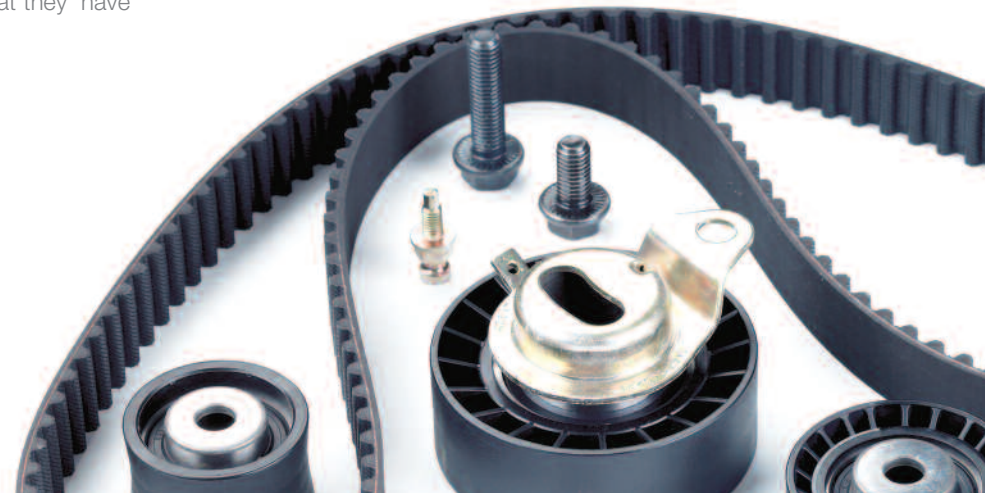
- Access to electronic systems for controlling the vehicle's operation.
- Right of "reprogramming" information to correct maladjustment.

THIS MEANS? Anyone with a legitimate need for technical information will have right of access to it **in a useable form** and at a **reasonable cost** (the same cost as charged to anyone within the Vehicle Assembler's network).

The new BER also introduces certain definitions of importance to the independent aftermarket.

There is a new definition of '**original spare parts**' and '**matching quality parts**' based on the quality of the component. This definition can be used:

- Where parts used are the same quality as the component used for the assembly of a motor vehicle.
- Where parts used are of the same specifications and production standards as those used by the Vehicle Assemblers.
- Where parts manufacturers/suppliers are able to issue a quality (self-) certification.



*Subject to certain conditions.