



American Insurance Association

2101 L Street NW

Suite 400

Washington, DC 20037

202-828-7100

Fax 202-293-1219

www.aiadc.org

August 3, 2012

Federal Trade Commission
Office of the Secretary
Room H-113 (Annex B)
600 Pennsylvania Avenue NW
Washington, DC 20580

Re: Used Auto Parts Guides Review, 16 CFR Part 20, Project No. P127702

Dear Sir or Madam:

We write on behalf of the 300 members of the American Insurance Association ("AIA"). AIA's members, who annually insure a substantial amount of automobile coverage nationwide, have an abiding commitment to auto safety. AIA offers these comments and suggestions regarding the systematic review of the Guides for the Rebuilt, Reconditioned and Other Used Automobile Parts Industry and appreciates this opportunity to comment on them.

COMMENTS ON THE CURRENT GUIDELINES AND REVIEW

We are supportive of the current Guides for the Rebuilt, Reconditioned and Other Used Automobile Parts Industry. The insurance industry is acutely aware of the need for guidance in the use of such parts. Safety is a clear priority -- AIA has worked with leaders in the transportation industry, pairing with the Insurance Institute for Highway Safety and others, to advance developments to promote safety. These guidelines represent an excellent foundation to ensure the safe use of rebuilt, reconditioned and used auto parts.

We endorse the full disclosure of parts types to the consumer and feel the current Guides provide a level of consistency for the repair and insurance industries. We feel the current terminology is appropriate for the clear identification of rebuilt, reconditioned and used parts. We are not aware of any concerns expressed by customers on misidentified parts being installed on their vehicles. We do not believe there are any changes needed at this time. Several responses to your specific requests for comments are noted below.

III. 1. Are the Guides still needed?

There is a need for guidance in the use of rebuilt, reconditioned and used auto parts. The Guides offer a consistent and comprehensive approach to steer the repair and insurance industries.

2. What benefits do the Guides provide to consumers?

We feel it is imperative that full disclosure of part types be made to consumers to inform their choices and ensure a high level of safety. The use of terminology to denote the true identity of auto parts is important and the Guides offer a clear course for the industry to follow.

3. What changes, if any, should the Commission make to the Guides to increase their benefits to consumers?

AIA feels the current terminology employed in the Guides is appropriate for clear identification of auto parts and effectively protects consumers and guides the repair and insurance industries.

.....

16. What changes, if any, should be made to the Guides to account for changes in technology or economic conditions?

As new and emerging technologies are created, we hope that the Guides will incorporate an understanding that will help the insurance and repair industries innovate and permit acceptable and important business practices while promoting safety.

CONCLUSION

We appreciate your consideration of these comments. We trust the FTC will work cooperatively with the industry to clarify any changes to the Guides for the Rebuilt, Reconditioned and Other Used Automobile Parts Industry before they become effective.

We are available to answer any questions you may have regarding this matter.

Respectfully yours,

Rachel E. Jensen
Associate Counsel