



Public Affairs

March 8, 2013

Federal Trade Commission
Office of the Secretary
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Subject: Used Motor Vehicle Trade Regulation

To Whom It May Concern:

AAA appreciates the opportunity to offer feedback on the Federal Trade Commission (FTC) request for public comments regarding the Commission's Buyers Guide for Used Cars. AAA clubs across the country provide over 47 million U.S. members with automotive, travel and other services, including assistance in navigating the new or used car buying process.

We recognize the FTC's role in helping to prevent fraud and deceptive business practices across the business spectrum, as well as providing additional resources for consumers to become better informed buyers. This proposal poses a dozen or so questions for consideration, which taken collectively should lead to additional used vehicle warranty clarification for both sellers and buyers, as well as overall consumer tips. Our comments are specific to the following four questions:

1. Current Buyers Guide Warranty Disclosures

AAA agrees with the recommendation to include additional notification clarifying warranty responsibility. There are many obstacles for dealers to verify whether a manufacturer's warranty is in affect; and even more so for third-party warranties. Specifically, an original equipment manufacturer (OEM) dealership is well aware of their brand's warranty guidelines; however, the same is likely not true for that dealership when selling another OEM brand (e.g. Ford dealership selling a GM vehicle). An independent dealer (e.g. CARMAX, David's used cars) is not as familiar with OEM warranties as an OEM dealer.

AAA supports the recommendation to include additional boxes and text to disclose third party warranty coverage. Also, links to OEM websites for consumers to research factory warranty coverage should be added to the FTC used car website so that consumers have yet another tool to research factory coverage.

2. Vehicle History Statement and Condition

AAA supports the FTC's recommendation adding two new statements to the current Buyer's Guide publication. In addition, we recommend including a link or an example of an inspection checklist, currently mentioned in FTC consumer tips, that consumers can reference before shopping for a used vehicle, so that all the information is available in one place.

3. Adding Catalytic Converters and Airbags to the List of Systems

We support the recommendation to add catalytic converters and airbags to the list of major defects that may occur in used vehicles. Catalytic converters and airbags are essential equipment from a cost and regulatory standpoint. If they are defective they need to be replaced in order to meet state emission standards and provide motorists with the assurance that the vehicle's occupant protection standard equipment is not compromised in the event of a crash.

4. Spanish Buyers Guide

AAA supports the recommendation to retain the two separate English and Spanish Buyers Guides. We also suggest moving the notification of the Spanish used car buying tips on the website to a more prominent location, possibly underneath the English title.

AAA looks forward to working with the FTC on mutual automotive consumer issues and public education initiatives.

Respectfully,

Jill Ingrassia
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