



Copart

Corporate Headquarters

November 19, 2008

Federal Trade Commission
Office of the Secretary
Room H-135 (Annex H)
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

RE: Used Car Rule Regulatory Review
Matter No. P087604

Dear Mr. Clark:

The following are Copart, Inc.'s comments with respect to the request for public comment on the Used Motor Vehicle Trade Regulation Rule.

1) **Item III(B)(1)**

It is our recommendation that, as suggested in the request for comment captioned above, the Used Car Rule be modified to permit the option of using a Buyers Guide that combines both the English and Spanish language versions into a single document.

Such a change would decrease the economic cost of compliance for those dealers conducting a substantial number of sales in both English and Spanish without posing any additional burden to the consumer, who would receive the same valuable information in a combined form. Furthermore, considering the reality of diminishing resources and pervasive efforts to preserve such, combining the forms into one document is an efficient and "green" measure to reduce excess.

2) **Item III(B)(6)**

It is our recommendation that the Used Car Rule should **not** require dealers to indicate whether a manufacturer's warranty applies and/or to provide information about the scope of such coverage; this should remain an optional disclosure. Furthermore, to the extent that the proposed forms listed in appendix A and B of the request for comment captioned above retain the option to disclose non-dealer warranties or to indicate that no such information is provided, we find either such format acceptable.

The Used Car Rule requires information on the Buyer's Guide be incorporated into the contract of sale for each used vehicle consumer sale.¹ Thus, to the extent that a dealer discloses an unexpired manufacturer's warranty on the Buyer's Guide and a consumer brings an action related to the manufacturer's warranty, such dealer may be contractually responsible for resulting damages.

In its current form, the Used Car Rule does not require dealers to disclose warranties that are the responsibility of another party.² Rather, dealers have the opportunity to evaluate the potential risk in relation to the perceived benefit in disclosing a manufacturer's warranty in connection with the sale. However, by requiring disclosure of manufacturer's warranties, this opportunity to evaluate potential exposure and conduct a cost benefit analysis is effectively eliminated and dealers are forced to accept a level of responsibility for manufacturer's warranties. Such a requirement is an inappropriate allocation of risk, and would serve to be significantly burdensome on and potentially devastating to dealers who, would otherwise choose to not accept this risk.

Thank you for the opportunity to comment.

Respectfully Submitted,

Liz Boughey
Corporate Counsel
Copart, Inc.

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¹ 16 C.F.R. § 455.3(b).

² See Staff Compliance Guidelines, 53 Fed. Reg. 17,660, 17,663 (May 17, 1988).