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POLICY & ACTION FROM CONSUMER REPORTS

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

Submitted via <u>www.regulations.gov</u>

Consumers Union Comments on "Guides for the Rebuilt, Reconditioned and Other Used Automobile Parts Industry; Request for Comments"

16 CFR Part 20, Project No. P127702

Consumers Union¹ (CU), the advocacy and public policy arm of *Consumer Reports*®, appreciates the opportunity to provide comments the Federal Trade Commission (FTC) on its recent Federal Register notice, entitled: "*Guides for the Rebuilt, Reconditioned and Other Used Automobile Parts Industry; Request for Comments*."² This notice requests public comment on the costs, benefits, necessity for, and regulatory and economic impact of the FTC's used auto parts guides, as part of the agency's systematic review of all current FTC rules and guides.

As noted in the Federal Register notice, the Used Auto Parts Guides (or "Guides") seek to prevent unfair or deceptive acts or practices in the advertisement and sale (including installation) of previously used motor vehicle parts and assemblies of parts containing previously used parts (*e.g.*, engines and transmissions).

Consumers Union believes that the existence of federal guidelines intended to address the passing off of used auto parts as new or distinguish between remanufactured auto parts and other used parts provides a basic and necessary protection for consumers. These Guides are still needed in the marketplace today to protect consumers from deceptive practices and maintain high standards in the used car industry.

Consumers enjoy significant savings through the availability of high quality rebuilt, reconditioned and other used auto parts, which provide an economical alternative to new parts. There are also important environmental benefits to be derived from the use of rebuilt and reconditioned auto parts that come through savings in materials and energy

¹ Consumers Union is the public policy and advocacy division of Consumer Reports. Consumers Union works for telecommunications reform, health reform, food and product safety, financial reform, and other consumer issues. Consumer Reports is the world's largest independent product-testing organization. Using its more than 50 labs, auto test center, and survey research center, the nonprofit rates thousands of products and services annually. Founded in 1936, Consumer Reports has over 8 million subscribers to its magazine, website, and other publications. ² 77 Fed. Reg. 29922 (May 21, 2012).

that would be required to manufacture a new part. In addition, these parts appear to be critical in supplying components for older vehicles. Many vehicles currently on the road would have to be retired without the existence of high quality used auto parts.

As a result, Consumers Union believes the Guides for the Rebuilt, Reconditioned and Other used Automobile parts do still help protect consumers by maintaining high standards in the used part industry. We therefore urge the FTC to continue the use and enforcement of the Guides.

Sincerely,

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