

P.O. Box 419264 · Kansas City, MO 64141-6264 · 816-561-5323 · www.naeda.com

## **Right to Repair Position Statement**

The North America Equipment Dealers Association is a trade association representing approximately 4,500 farm, industrial and outdoor power equipment dealers in North America. Through the sale of equipment, parts, and service, our dealer members work in partnership with farmers and ranchers to make them the most productive and competitive producers in the world.

### Reality of the Repair Landscape

Our industry is a leading example of one that supports customer self-repair. Equipment manufacturers and dealers are committed to providing access to and widespread availability of parts, tools, documentation, and diagnostic capabilities to owners and independent repair shops. The reality of the repair landscape for farm equipment demonstrates this commitment. A third-party survey of our industry showed that nearly 60 percent of all parts sold by a dealership are installed by someone other than the dealership. On average, a farm equipment dealership also sells parts to nine different independent repair shops with two typically in their top ten parts customer list. (See Repair Done Right Infographic Survey Results Attachment).

#### **Memorandums of Understanding**

In addition to the support provided directly to owners and independent repair shops, the major stakeholders on this issue have agreed to Memorandums of Understanding. The MOUs between John Deere, CNHI, Kubota, AGCO, Claas and the American Farm Bureau Federation is a private sector solution that formalizes the commitment to supporting customer repair and makes legislation unnecessary for our industry. These MOUs cover nearly 80 percent of the farm equipment sold in the U.S. and contain detailed provisions describing what manufacturers make available to support customer self-repair. The MOUs are a living document that provide for at least semi-annual meetings between the stakeholders to assess concerns, updates, and other issues related to Right to Repair.

## **Workforce Development Challenges**

Even with our industry's commitment to Right to Repair, there are still persistent challenges to increasing uptime for farmers and ranchers. However, they are not attributable to availability and access to parts, tools, documentation, and diagnostics. The most prevalent challenge is the shortage of skilled technicians in our industry. The average farm equipment dealer would hire five additional technicians today, with a cumulative shortfall of technicians across the country numbering in the thousands. This gap continues to widen despite an industry leading model where dealers cover complete tuition for a two-year diesel technician program with a guaranteed high-wage job upon completion.

#### **Rural Broadband**

Another challenge our industry faces in the lack of rural broadband. Modern farm machinery is equipped with remote diagnostic capabilities that, when available, significantly decrease the amount of time required for a dealership to diagnose equipment issues. However, without ubiquitous rural broadband this technology is unusable for dealerships and their customers, resulting in increased service times across our industry.

## **Opposition to Legislation**

The success of our dealers depends on the success of their customers. Far from preventing a customer's right to repair their equipment, our dealers have every incentive to increase their customer's ability to work on their own equipment or have an independent repair shop perform the repairs. While we support a customer's Right to Repair, we oppose modification of equipment.

Legislation introduced as Right to Repair typically contains language that goes far beyond access and availability of parts, tools, documentation, and diagnostics. The template legislation introduced nearly always contains provisions providing for price fixing of parts, unfettered access to intellectual property and allows for the tampering of safety and emissions systems. These provisions would be very harmful to our industry and have little relevance to actual ability to perform repairs.

This is a complex issue that brings up many points of consideration not fully addressable in a position statement. If your office would like to discuss any of these issues further, we are available to provide resources and material to further explain our position.

Eric Wareham

Muhr

Vice President of Government Affairs

North American Equipment Dealers Association





Fifty-six percent of dealer parts are sold out the door and are not installed by the dealership.

The average dealer has 2 independent repair shops as a top 10 parts customer.



On average a dealership sells parts and tools to 9 independent repair shops.



On average an equipment dealership stocks over \$1Million dollars in parts inventory.



The average dealership will spend over \$100,000 on technician training per year.

The average dealership needs to hire 5 additional service technicians to meet customer demand.





20 - 40 hours

Dealership technicians receive 20 to 40 hours of training each year to keep up with model and technology changes.





Seventy-six percent of equipment dealers agree that expanded broadband availability would improve the dealerships use of remote equipment diagnostics.

# **SUPPORTING YOUR REPAIR**

