



DIGITAL RIGHT TO REPAIR CAMPAIGN
STRATEGY & COMMUNICATION PLAN
2016 - 2018

“The AutoCare Industry goes digital”

Creating a Regulatory Framework
for interoperable in-vehicle telematics platforms
to ensure a competitive Digital Single Market for Vehicle
Parts, Servicing and Repair

1. OUTLINE OF THE ‘DIGITAL RIGHT TO REPAIR CAMPAIGN’

1.1. BACKGROUND

1.1.1. The ‘connected car’ – The AutoCare Industry ‘goes digital’

Digital technologies are transforming the lives we lead and the way we work. This is also true for the entire value chain of vehicle spare parts, test tools, servicing and repair – the so-called ‘Aftermarket’ (or: AutoCare Industry). The multi-brand automotive value chain alone employs 3.5 million people in over 500.000 companies servicing 260 million motorist consumers every day.

Wireless telematics technologies are rapidly becoming part of the new evolution of modern vehicles. The (smart) ‘connected car’ is about to change the way we drive and think about our personal mobility. New vehicle technologies support safety functionalities such as emergency assistance (eCall) and also breakdown assistance (bCall), but can also provide a wide-ranging array of entertainment and information services, such as route navigation, traffic information, e-mail, web browsing, social media, hotel bookings, or directions to the nearest available parking space or petrol station. These services and the ability of the car to interface with other connected devices means that the vehicle is increasingly becoming a part of our daily ‘connected-mobility’.

The penetration of the telematics systems and functionalities in the vehicle servicing sector will be exponentially increased with the mandatory introduction of ‘eCall’, when all new vehicles must be equipped with an automatic in-vehicle emergency call system as from 2018 onwards. This will significantly affect the way in which the entire aftermarket service chain operates.

It must be ensured that this new technology respects the principles of fair competition and open choice for consumers and independent service operators.

1.1.2. Digitalisation of vehicle repair and maintenance: The dashboard as the new customer relation interface and point of sale

At present, in-vehicle telematics platforms are technically designed in a proprietary way that only allows vehicle manufacturers to have direct access to the vehicle and its data.

These platforms have the capacity to generate and accumulate an enormous amount of data about the (health) status of the vehicle or how repair services can be rendered more efficiently, or what new services can be developed and offered to the customer (e.g. online predictive remote diagnostics to ideally *avoid* breakdowns).

As a result, the current telematics platforms provide vehicle manufacturers with a privileged information advantage (information monopoly) which enables them to offer exclusive online services to the customer and to control (i.e. eventually prevent) the development of vehicle-related online services and products by competitors for which data are needed¹.

¹ Some vehicle manufacturers have started to offer ‘open’ systems, but only to selected business-model partners. Moreover, these still impose proprietary communication and access requirements that are unique for each vehicle model, making it impossible for independent operators to create practical and economic applications across a range of vehicles.

All this prevents equal access by independent SME service providers and limits their ability to innovate and compete 'online' on an equal footing. It ultimately limits consumers' freedom of choice between competitive repair/maintenance and other consumer convenience services.

1.1.3. Spill-over to other markets: The car as 'online shop on wheels'

While this alone would already be a disadvantage for the customer who can no longer choose between competitive 'online' services in the field of car repair and maintenance, the effect of these proprietary platforms even spills over to other markets, because information technology doesn't stop at a local or market border.

The car's dashboard will undoubtedly become a new point of sale for all kinds of products and services, and unless regulated, the current controller of the data (vehicle manufacturers) will be the one that who and profits from the offers provided to the customer.

Vehicle manufacturers and their telematics platforms have the potential to become players competing advantageously in many sectors of the economy, for example by

- offering of tailor-made insurance services;
- guiding customers to the hotel/restaurant/petrol station network chosen by the vehicle manufacturer;
- offering special life-style products/services over the dashboard (e.g. when being delayed in a traffic jam).

1.1.4. EU Digital Regulatory Framework needed for fair access to the vehicle and its data for Independent Operators

A regulatory framework is needed to ensure fair access to the vehicle and its data, in a direct and unmonitored manner.

Threat: Vehicle manufacturers' proposal of a so-called 'Extended Vehicle' concept where all telematics communication to the vehicle will be channelled through their proprietary server. **In parallel, there is the trend that VMs will close the 16 pin connector. This represents a greater opportunity for VMs to propose diagnostics tools/software/applications and also spare parts to the independent workshop. Diagnostic tool manufacturers will not have access any longer to diagnostic information needed to manufacture tools, and reverse engineering will not be possible anymore as the 16-PIN connector will be closed or reduced to emissions only.**

This is why it is necessary to define the rights of independent service providers to be able to directly access and use vehicle data and information. This is crucial to ensure that all automotive aftermarket market players continue to have the ability to innovate and compete in a Digital Vehicle Repair and Service Market, as they do at present in **with the existence of the 16-PIN connector.**

To ensure that the targets of a European Digital Single Market are met, fair and equal access to in-vehicle data and information along with an appropriate degree of standardisation must be mandated by European legislation. This will ensure that the entire automotive industry sector (including the AutoCare Industry value chain) can maintain its competitiveness and even expand its position as a job creator and a field of technical excellence for highly skilled Digital Entrepreneurs.

2. AIMS & OBJECTIVES

The Digital Right to Repair Campaign focuses on consumer choice and effective competition in the automotive aftermarket in the digital era. It is based on the right of motorists in the choice of the aftermarket care of their vehicles and the right of the independent operators to maintain, service and repair 'connected vehicles'.

2.1. GENERAL OBJECTIVES

- Improve the visibility and understanding of the independent automotive aftermarket;
- Create awareness that the advent of telematics technologies/functionalities in the car creates distortions of competition, if not regulated;
- **Main goal: Obtain a regulatory environment for fair access to the vehicle and its (life) data.**
- Uphold motorists' rights to have their vehicles serviced, from day one, by the workshop of their choice.

2.2. CONCRETE OBJECTIVES

- Objective n° 1: Awareness campaign for EU and national decision-makers regarding the aftermarket and its role and importance; how the aftermarket works currently and how the digital era is affecting the market²
- Objective n° 2: Awareness campaign among EU and national decision-makers about the competition implications of the telematics technology for independent service providers.
- Objective n° 3: Obtain a EU regulatory framework for fair and equal access to the vehicle and its data; the Open Telematics Platform enshrined in type approval legislation as a near term objective alongside a roadmap and associated legislation delineating interim solutions.
- Objective n° 4: Awareness campaign for aftermarket operators regarding telematics/digitalisation, and the threats and *opportunities* to their businesses contained therein

2.3. TARGET GROUPS

- **Primary: EU and local/national policy makers (Objectives 1,2 & 3):**
 - EU Commission
 - 4 Commission Directorate Generals (DG MOVE, DG CONNECT, DG COMP, DG GROWTH), from Commissioner & Cabinet through the entire hierarchy
 - European Parliament
 - EP Committees (TRAN, IMCO, ITRE)
 - Political groups
 - Key MEPs (Rapporteurs, chairs, prominent friends of the aftermarket etc)
 - EU Council
 - Permanent Representations
 - National governments
 - Relevant ministries

² Objective 1 & 2 are linked, but conceptually separate. Objective 1 could be carried on whilst objective 2 updated in the future

- **Secondary: Independent and multi-brand market operators (repair shops, distributors, automobile clubs, tool producers, parts producers) (Objective 4)**
- Multipliers – new and old media (print, online, trade and general). Resource dependent – a indicative target list should be created (support action for all objectives)
 - European level (EU political media, EN language trade media...)
 - National level

3. CONCRETE ACTIVITIES & STEPS for the R2RC

3.1. AWARENESS CAMPAIGN

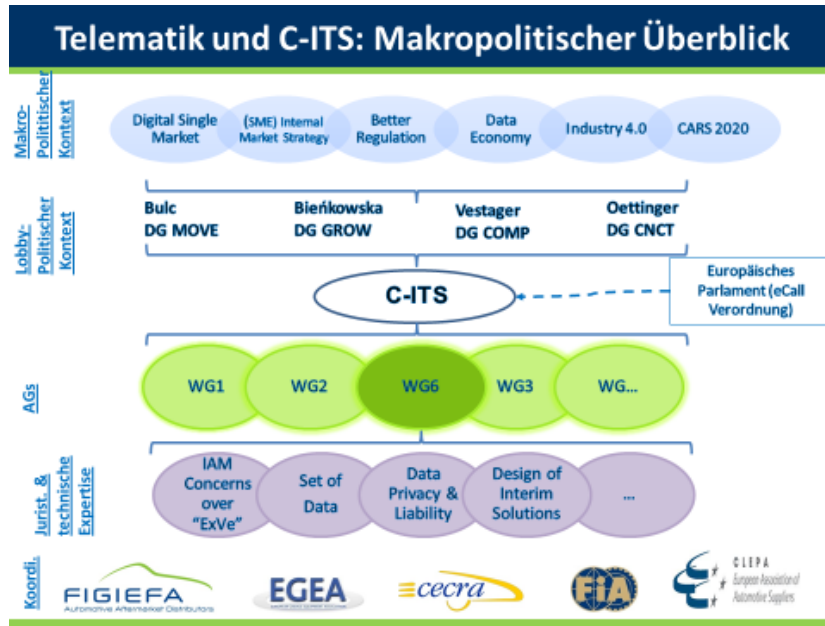
Targeting mainly decision makers regarding the importance and role of the aftermarket in general, and the specific issue of telematics/digitalisation in particular. There is a need to educate and sensitise decision makers regarding our sector, without which the particular issue of telematics would not make headway. This can be conceived as a modular approach, with the first objective being ongoing, and the second potentially more time-limited, depending on the political timetable and threats faced – in this case, a three year plan is realistic.

Material should be translated for national markets where possible, and /or the templates given to national organisations. National organisations should play a full role in the campaign, translating and optimising materials for their national target groups.

Instruments:

- Website Digital Right to Repair
- Digital Right to Repair branding (logo, slogan...)
- Brochures & leaflets, banners, adverts
- Animation (new SimpleShow)
- Position papers, articles, opinion pieces
- Events
 - EP awareness raising/upcoming legislation event (2015) on telematics
 - EP event on adaption to technological progress (2015/early 2016)
 - Aftermarket demonstration event at the EP (workshop/tools/repairs demonstrated)
- Meetings
 - Commission officials from Commissioners down
 - Members of European Parliament (MEPs)
 - National representations to the EU
 - National government ministries

Overview:



- Media outreach – articles/interviews to media
- Alliances & networks
 - AFCAR and AFCAR+ (Lease Europe, Insurance Europe, CLEPA...)
 - UEAPME
 - International Trade Groups
 - Other advanced value chain representative organisations (lift associations, industrial refrigerators etc)
- Template petitions (write to your MP/MEP)
- Demonstrations – see farming organisations

3.1. R2RC - LOBBYING FOR A LEGAL FRAMEWORK FOR FAIR TELEMATICS ACCESS TO THE VEHICLE

Tasks

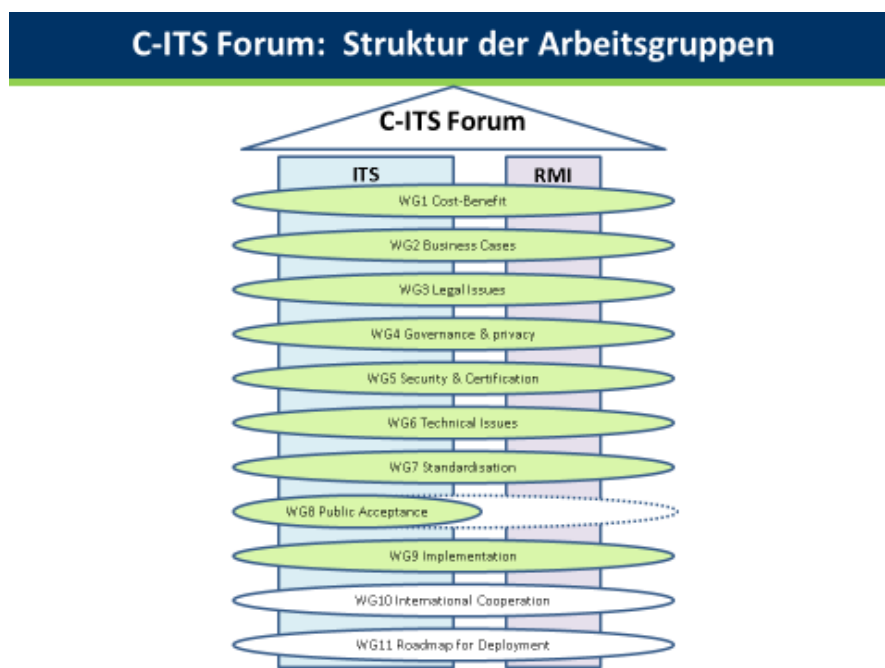
3.1.1. Work within the EU Commission's C-ITS Forum: Defining the future telematics access to the vehicle: Concrete work on an Open Telematics Platform (OTP) 2015 - 2016

The **eCall Regulation** (COM(2013) 316) requires new types of passenger cars and light commercial vehicles to have installed the 'eCall' emergency call technology as a standard mandatory feature in all new vehicles by April 2018. Mandating eCall technology into all new cars will accelerate the

deployment of connected car technologies. This is why FIGIEFA and the Aftermarket coalition worked to secure the inclusion into the Regulation of a mandate to the European Commission **“to explore the requirements for an interoperable, standardised, secure and open-access platform”** (Article 10a, para 2).

This ‘open telematics platform’ (OTP) would allow independent operators to provide services based on vehicle data, under the same conditions enjoyed by vehicle manufacturers.

To fulfil the requirements of Article 10a, para 2, the Commission included it into the C-ITS Forum [Cooperative Intelligent Transport Systems], a wide stakeholder forum to discuss the technical requirements for an open platform, amongst other matters. A wide range of automotive stakeholders participate in the relevant working groups, which meet monthly (for several days) until the end of 2015.



3.1.1.1 Designing technical solutions

Tasks: Designing technical solution for an Open Telematics Platform, as well as interim solutions. The EU Commission expects from EGEA / AFCAR /CLEPA etc. that they can provide expert advice and input.

Issues: Technical issues such as ‘which kind of data are needed’, ‘how to ensure vehicle system security via an open platform’, technical interim solutions (roadmap) are raised by the Commission and require a dedicated investigation.

Needs: Manpower and buying-in of technical expertise.

The technical work is being done in conjunction with technical experts from EGEA/FIGIEFA, ZDK, CLEPA and other stakeholders, but the experience in the last months has shown that there is the need for:

- **one technical expert is needed who coordinates the work and can take over a more outspoken role in the C-ITS Forum** (especially for sensitive issues where parts suppliers/CLEPA cannot be outspoken against the VMs)
- permanent expert advice of an **IT expert** is needed (because the experts from the associations ZDK/CLEPA/EGEA/FIGIEFA are often automotive experts);
- buying-in **ad-hoc expert advice** if needed (eg on security matters).

3.1.1.2 Work on legal issues

Tasks: Providing answers to legal issues around telematics.

Issues: Legal issues such as ‘product liability’, data privacy’, ‘competition issues’ are raised by vehicle manufacturers and/or by the Commission and require a dedicated legal investigation to be able to give an independent response.

Needs: Work with legal experts and buying-in legal expertise.

3.1.1.3 Full legal lobbying 2015/2016 onwards (including impact assessment)

The results of the C-ITS Forum will serve as basis for a legislative proposal on EU level, which needs to be accompanied.

Such a legislative proposal will undergo the EU decision-making procedure, including the new requirement for an impact assessment. All this needs to be accompanied.

3.1.1.4 Work on macro-political level: Digital Single Market

Commission’s new Digital Single Market Strategy: Involvement in the macro-political debate is needed to back-up the technical solution in the C-ITS Forum.