



September 23, 2015

The Honorable Michael Burgess
2336 Rayburn House Office Building
Washington, DC 20515

LKQ Corporation Memo of Concern to Improving Recall Tracking Act

Dear Chairman Burgess:

As a Government Affairs Representative for LKQ Corporation, I applaud your efforts to raise awareness on a much needed consumer protection issue. Improving Recall Tracking Act addresses the need for consumers to receive accurate information concerning motor vehicle recalls in a timely fashion but falls short of protecting consumers and their vehicles to its end-of-life.

The average age of a vehicle is increasing - due in part to the availability of lower cost alternative parts (in this case recycled). Cost conscious consumers and low income families seek to repair their vehicles in a cost effective manner without sacrificing safety.

As the nation's largest distributor of alternative parts we have the best interest of the consumer in mind. We stand behind the products we sell by offering a Limited Lifetime Warranty and a Promise of Protection. Our Promise of Protection provides repair shops with indemnification from liability should a product we sell cause injury, accident or death. Our groundbreaking product liability indemnification is something the auto manufacturers are unwilling to match.

With the number of vehicle recalls growing every year, access to accurate recall information is no longer an option for our industry – it is a necessity. We chose to put our company on the line in support of parts we did not manufacture in order to provide consumers with a promise of protection they can trust. In turn, we ask that our government consider our position in the resale of potentially dangerous products.

Car companies continue to attack our industry through various mediums in an effort to increase their 66% market share on replacement parts. Therefore, they have no incentive to provide our industry with vehicle and parts specific information as it would hurt their bottom line. We currently quarantine recalled parts according to make, model and year rather than individualized VIN. This has the effect of taking potentially usable parts out of the marketplace, which costs us money and reduces competition on those parts for the automakers.

In order to fulfill the car companies' obligations and further provide consumer protection, we suggest:

- Developing an electronic original equipment manufacturer (OEM) automotive part database
 - This database would be used to maintain real-time automotive parts recall updates
 - This includes the ability to identify a previously recalled part that has already been rectified
- Include all OEM parts or component numbers, manufacturer vehicle identification numbers (VINs), specific part names and descriptions, as well as build beginning and end dates
 - Specific part/component numbers including description is important to identify the particular part in need of replacing
 - Build beginning and end dates is critical as manufacturers at times change design/functionality during a model year run

With a record number of recalls and related injuries including deaths, this is not the time put commercial interest before consumer confidence and safety. It is just as critical for automotive recyclers to be able to provide their customers with accurate recall information as it is for the state to its registered motorists.

LKQ Corporation is a leading provider of alternative and specialty parts to repair and accessorize automobiles and other vehicles. LKQ has operations in North America, the United Kingdom, the Netherlands, Belgium, France, Australia and Taiwan. LKQ offers its customers a broad range of replacement systems, components, equipment and parts to repair and accessorize automobiles, trucks, and recreational and performance vehicles. Globally, LKQ has just under 30,000 employees and operates over 630 facilities, offering its customers a broad range of replacement systems, components, equipment and parts to repair, maintain and accessorize automobiles, trucks, and recreational and performance vehicles.

In the United States, LKQ employs over 20,000 people and operates more than 460 facilities in more than 44 states.

As Chairman of the Commerce, Manufacturing, and Trade Committee, I hope you will recognize the concerns this bill poses to the alternative parts industry and to consumers across the nation. On behalf of LKQ Corporation, I ask you to please consider our suggestions.

Please do not hesitate to contact me if you have any questions. I can be reached at (954) 492-9092.

Respectfully,



Ray Colas
Government Affairs Representative
LKQ Corporation