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In OPPOSITION to LD 1487

The North America Equipment Dealers Association is an international 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 across Maine to make them the most productive and competitive producers in the world.

The proposed legislation is unnecessary and divisive with far-reaching unintended consequences. Major farm equipment manufacturers and dealers are committed to providing greater access to parts, tools, documentation, and diagnostic capabilities for farm equipment. A survey of dealers conducted by a third party confirmed that we are a leading industry in supporting customer self-repair. The results of that survey are included with this position statement.

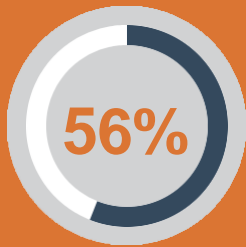
Three of the primary stakeholders involved in this matter have formalized their commitment to support customer repair. Memorandums of Understanding have been signed by those parties in which they state that legislation is unnecessary on this issue.

Additionally, fixing the price of parts at the most favorable costs offered to authorized repair providers would have drastic consequences for equipment dealers, their customers and independent repair shops. The average dealership stocks over \$1 million in parts inventory per location. Fixing the cost of that parts inventory will result in dealers being forced to significantly reduce their parts inventory. They will also be put in direct competition with the manufacturers they represent for the sale of parts. Either option will put dealerships out of business and paradoxically reduce the availability of on-hand parts available to customers and independent repair shops

Finally, if passed, this bill would likely be held unconstitutional. First, it violates the state and federal contracts clause by interfering with dealer/manufacturer agreements. Second, the bill would likely be pre-empted by federal copyright law and the Clear Air Act.

For these reasons, we stand in opposition to LD 1487.

Kipp McGuire
Director 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.