



Automotive Service Association
of Ohio, Inc.

6947 Kemper Rd.
Cincinnati, OH 45249

Mr. Ed. Rust Jr.
State Farm Insurance
One State Farm Plaza
Bloomington, IL 61710

Dear Mr. Rust,

The Automotive Service Association of Ohio (ASA Ohio) believes that repair decisions, parts ordering, and other business practices used in repairing damaged vehicles is best left to automotive repair professionals who are trained and qualified to work on the vehicles. More importantly, customers have entrusted automotive repair professionals, not insurance companies, to make the safest decision when it comes to repairing their vehicles.

ASA Ohio has thoroughly reviewed the information surrounding State Farm's intent to mandate an electronic parts procurement program for automotive repair shops participating in its Select Service network. Upon its review, ASA Ohio has taken an official position against insurer-mandated programs including those used for ordering parts. State Farm's mandate of PartsTrader will disrupt the relationship between automotive repair facilities and their parts vendors.

Furthermore, the added influence that such a mandate would give insurance companies over collision repair market pricing will result in repairers losing both profit and control of their businesses. Additionally, the adverse impact of this mandated program could spread to other parts of the automotive repair industry, resulting in insurers having even more influence in the repair process.

ASA Ohio believes that the most efficient method of ordering parts is in a free market system where repair professionals are able to source parts from trusted suppliers. Disturbing this process through a mandatory bidding platform will result in increased cycle time, drive down profit margins, and negatively impact consumers.

ASA Ohio supports the utilization of new technology to increase efficiency and improve customer service. Should an electronic parts ordering system prove to be good for the repair industry, as State Farm suggests, surely automotive repair professionals would voluntarily embrace the program. Instead, numerous associations throughout the country representing the repair industry have opposed the PartsTrader platform. Instead of mandating the use of PartsTrader, ASA Ohio encourages State Farm to offer the system to its Select Service network and allow repair shops to voluntarily participate. State Farm, should it wish to move to such a system, could then offer incentives to those shops who choose to participate.



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ASA Ohio supports rewarding those automotive repair facilities that demonstrate the best and most efficient business practices. However, requiring the use of a system that disrupts the business relationships between repair shops and their trusted parts suppliers is not a viable solution. The automotive repair process should not be based on price, but rather on quality and safety.

For these reasons, ASA Ohio opposes any attempt by State Farm to spread its mandated parts procurement process to Ohio.

Respectfully,

A handwritten signature in blue ink, appearing to read "Joe Sanfillipo III". The signature is fluid and cursive, with a large initial "J" and "S".

Joe Sanfillipo III

President / Chairman

Automotive Service Association of Ohio