

Written Testimony of Daniel B. Fisher, Senior Vice President of Associated Equipment Distributors

Before the Senate Financial Institutions and Technology Committee on

Digital Fair Repair Act (SB 73)

Chair Wilson, Vice Chair Hackett, and other committee members, Associated Equipment Distributors (AED) appreciates the opportunity to offer this testimony in conjunction with the Senate Financial Institutions and Technology Committee hearing related to the Digital Fair Repair Act (SB 73).

AED is the trade association representing companies that sell, rent, and service construction, farm, mining, energy, forestry, and industrial equipment. Our members, which are predominantly small-medium-sized, independent, family-owned businesses, employ thousands of workers across Ohio, providing well-paying jobs and serving as a positive force within communities throughout the Buckeye State. Below please find a list of AED member companies and locations in Ohio.

Right to repair" is a simple slogan; however, the policy proposals surrounding the issue are complex with significant consequences.

SB 73's application to the off-road equipment industry is based on the false narrative that customers are unable to fix their own tractors and machinery. To the contrary, equipment manufacturers and distributors make available diagnostic tools, repair information, parts, and remote customer support. Idle, non-functioning equipment equals lost time and money. Whether it's on a road building project or a farm during harvest there is absolutely zero incentive to not do everything we can as equipment dealers and manufacturers to keep a machine running. That can mean repairs completed by a dealership service technician, the customer, or a third-party provider. The equipment industry is highly competitive, and if one company isn't providing proper and timely service, nothing is stopping the customer from moving to a competitor and their products.

In fact, a significant percentage of parts sales are sold directly to customers so they can repair their own equipment. However, the tractors AED members are selling today are not the same as those sold decades ago. While customers can complete most repairs to their machinery, government environmental and safety regulations, as well as technological developments that have made equipment more efficient and productive, necessitate restrictions in access to source code and software that ensure key operational functions aren't modified or disabled. Equipment dealers invest countless resources to train certified technicians to work on complex machinery. SB 73 invites unqualified individuals to attempt to repair the world's most advanced and sophisticated equipment, at significant risk to themselves, operators, and the public.

SB 73 would also completely alter the equipment industry's distribution model, putting countless small businesses at risk. Manufacturers of equipment rely on a network of independent, mostly family-owned small-to-medium-sized companies to sell, rent and service the equipment. These dealers make significant investments in their employees, including training service technicians to repair and maintain the latest high technology machinery. Many AED member facilities in Ohio are in rural and underserved areas, creating well-paying careers and economic opportunity.

Equipment dealers also invest extensive capital in parts inventories to ensure repairs and maintenance can occur as soon as possible. Anyone can walk into an AED member facility (or go online) and buy OEM parts for their tractor. There's no restriction on who can purchase parts, whether it's an equipment owner, a third-party service provider, an equipment operator, or a member of the general public. However, there will be no incentive for equipment dealers to carry parts inventory if the manufacturer (or the dealer) is forced to sell

parts for a fixed price without profit, such as is contemplated by SB 73's "fair and reasonable terms" definition.

Suggested Amendment

Given the substantial concerns with SB 73 outlined above, AED and our Ohio-based members urge you to adopt exemption language that protects public safety and the economic viability of the equipment distribution industry. The language is identical to an amendment adopted by New York before passage of right to repair legislation last year and has been utilized in numerous states with similar proposals:

Manufacturers, distributors, importers or dealers of all off-road (non-road) equipment, including without limitation, farm and utility tractors, farm implements, farm machinery, forestry equipment, industrial equipment, utility equipment, construction equipment, compact construction equipment, road-building equipment, mining equipment, turf, yard and garden equipment, outdoor power equipment, portable generators, marine, all-terrain sports and recreational vehicles (including racing vehicles), stand-alone or integrated stationary or mobile internal combustion engines, other power sources, (including without limitation, generator sets, electric/battery and fuel cell power), power tools, and any tools, technology, attachments, accessories, components and repair parts for any of the foregoing.

Conclusion

For the off-road equipment industry, SB 73 is a solution in search of a problem. AED members provide customers and third-party repair providers with parts, tools, and other resources to complete nearly all repairs.

Enacting SB 73 will stifle entrepreneurship and result in an unprecedented intrusion by government into the free enterprise system. The viability of the equipment distribution industry will be severely hampered, causing lost economic activity, job creation, and technological advancement.

In conclusion, end-users of machinery have the information, tools and parts they need to repair and fix their equipment.

Thank you for the committee's consideration of my testimony.

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AED's Ohio Dealer Locations

Alta Equipment Company	Oakwood Village	ОН
Bell Equipment Company	Gahanna	ОН
Bobcat Enterprises, Inc.	West Chester	ОН
Bobcat Enterprises, Inc.	Mt. Orab	ОН
Bobcat Enterprises, Inc.	Hilliard	ОН
Bobcat Enterprises, Inc.	Reynoldsburg	ОН
Bobcat Enterprises, Inc.	Hamilton	ОН
Bobcat of Pittsburgh	Belmont	ОН
Boyd Company	Jackson	ОН
Buck & Knobby JCB	Holland	ОН
CD Equipment Sales & Service, Inc.	Hinckley	ОН
Cleveland Crane & Shovel Sales, Inc.	Bedford	ОН
Columbus Equipment Company	Perrysburg	ОН
Columbus Equipment Company	Cincinnati	ОН

Columbus Equipment Company		
Columbus Equipment Company	Zanesville	ОН
Columbus Equipment Company	Piketon	ОН
Columbus Equipment Company	Richfield	ОН
Columbus Equipment Company	Massillon	ОН
Columbus Equipment Company	Cadiz	ОН
Columbus Equipment Company	Dayton	ОН
Columbus Equipment Company	Columbus	ОН
Company Wrench, Ltd.	Monroe	ОН
Company Wrench, Ltd.	Carroll	ОН
Company Wrench, Ltd.	Cleveland	ОН
Complete Hydraulic Service	Bolivar	ОН
Custom Truck One Source	Canton	ОН
Ditch Witch Mid-States	Columbus	ОН
Easton Sales & Rentals, LLC	Chagrin Falls	ОН
Edinburg Tractor Sales	Rootstown	ОН
EquipmentShare	Hamilton	ОН
EquipmentShare	Grove City	ОН
Highway Equipment Company	Canton	ОН
International Fuel Systems	Findlay	ОН
Leppo Rents	Tallmadge	ОН
Leppo Rents/Bobcat of Canton	Canton	ОН
Leppo Rents/Bobcat of Cleveland	Bedford Heights	ОН
Leppo Rents/Bobcat of Cleveland-West	North Ridgeville	ОН
Leppo Rents/Bobcat of Wooster	Wooster	ОН
Leppo Rents/Bobcat of Youngstown	Girard	ОН
Leslie Equipment Co.	Marietta	ОН
Maverick Environmental Equipment LLC	Newbury	ОН
Maverick Environmental Equipment LLO	INEMBULY	OH
Maverick Environmental Equipment LLC	Bremen	OH
Maverick Environmental Equipment LLC	•	
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Ohio CAT	Washington Ct. House	ОН
Ohio CAT	Girard	ОН
Ohio CAT	Cadiz	ОН
Power Systems Division	Broadview Heights	ОН
RECO Equipment, Inc.	Richfield	ОН
RECO Equipment, Inc.	Belmont	ОН
RECO Equipment, Inc.	Toledo	ОН
RECO Equipment, Inc.	Monroe	ОН
RECO Equipment, Inc.	Columbus	ОН
Southeastern Equipment Co. Inc.	Cambridge	ОН
Southeastern Equipment Co. Inc.	Monroe	ОН
Southeastern Equipment Co. Inc.	Perrysburg	ОН
Southeastern Equipment Co. Inc.	Dublin	ОН
Southeastern Equipment Co. Inc.	Brilliant	ОН
Southeastern Equipment Co. Inc.	North Canton	ОН
Southeastern Equipment Co. Inc.	Marietta	ОН
Southeastern Equipment Co. Inc.	Heath	ОН
Southeastern Equipment Co. Inc.	Ontario	ОН
Southeastern Equipment Co. Inc.	Mentor	ОН
Southeastern Equipment Co. Inc.	Gallipolis	ОН
Southeastern Equipment Co. Inc.	Brunswick	ОН
The McLean Company	Hudson	ОН
The McLean Company	Columbus	ОН
The McLean Company	West Chester	ОН
Vermeer All Roads	Medina	OH
Vermeer All Roads	Findlay	ОН
Vermeer Heartland, Inc.	Washington Ct. House	ОН
Worldwide Machinery	Martins Ferry	ОН