

CONSUMER SAFETY ADVISORY

RELATED TO NON-GENUINE, DEFECTIVE, OR NON-COMPLIANT AUTOMOTIVE CRASH PARTS IMPORTED FROM TAIWAN, CHINA, Off-Shore

With the recent deluge of dangerous, counterfeit, and defective products imported to the United States (including bogus toothpaste, tainted fish and seafood, counterfeit pharmaceuticals, unsafe automotive tires, aftermarket auto collision parts, and vehicle headlamps, impure foodstuffs, and deadly pet foods), MQVP Inc. has issued a public statement to address the danger specifically posed by non-genuine automotive parts distributed in the United States for collision repairs, and the resulting potential liability for body shops and installers of non-genuine parts.

Most insurance companies specify Original Equipment Manufacturer (“OEM”) parts for repair of vehicles insured by them. The OEM parts are designed, tested and engineered for use with the vehicle for which they were made, are subject to certain regulations including safety testing, and restore the value of the vehicle after repair.

As you know, a growing number of insurance companies (and their DRPs) have elected to increase profit margins by requiring the use of Aftermarket (“AM”) parts, allowing insurance companies to pay less than if designating genuine OEM parts. Body shops, as consumers of the auto body parts, know that the generic AM parts are typically not as easy to work with as OEMs, frequently do not fit the same way, and usually require additional prep which may not be billable. As a result, many body shops refuse to use AM parts in any repairs. Naturally, this has a detrimental effect on their business, losing out on repairs for insurers requiring AM parts, which begs the question – how bad are generic AM parts if body shops are willing to turn down work rather than use them? The MQVP® Program was a forthright attempt to get the manufacturers to make significantly better parts, and for the distributors to provide much more than their “word” on genuine product quality. Only select AM parts qualified for the MQVP® Program.

Recently, MQVP has become aware (by NHTSA, among other public sources) that certain AM lighting parts have been recalled and other AM parts are being misrepresented and sold as “MQVP parts”. Body shops unknowingly using these parts may be deemed liable, with no practical recourse against the manufacturer or distributor.

Body shops and car owners should not be left holding the bag! In the interest of consumer and body shop protection, MQVP Inc. can provide vital information related to genuine MQVP® parts and their distinction from non-genuine goods, goods distributed by non-qualified distributors and unauthorized

manufactures. With this information, body shops will be able to identify non-warranted, counterfeit, non-conforming or unlicensed goods by examining the invoice or insurance claim alone, enabling the shop to seek compensation from the provider of the non-genuine parts at issue. In some cases, MQVP may also be able to help identify fulfilled claims.

From a body shop business perspective, we urge you to investigate and resolve your aftermarket parts quality issues immediately to avoid any potential future liability and to provide reassurance to the car owners, your customers! Of course, if you or your staff has any concerns or questions, we encourage you to contact us immediately at Service@MQVP.com. All inquiries will remain confidential, if you so request.

For More information on Counterfeiting please see : [The International AntiCounterfeiting Coalition](#)

GET REAL - The Truth About Counterfeiting

Counterfeiting is big business.

It is estimated that counterfeiting is a \$600 billion a year problem. In fact, it's a problem that has grown over 10,000 percent in the past two decades, in part fueled by CONSUMER DEMAND.

The real truth is people who purchase counterfeit merchandise risk funding nefarious activities, contributing to unemployment, creating budget deficits and compromising the future of this country in the global economy.

The real truth is counterfeiters are hardened criminals, exploiting consumers, businesses both large and small, inventors and artists and children laboring in sweatshops in Third World countries.

You should know the truth about counterfeiting.

The Facts:

- **Counterfeiting costs U.S. businesses \$200 billion to \$250 billion annually.**
- **Counterfeit merchandise is directly responsible for the loss of more than 750,000 American jobs.**
- **Since 1982, the global trade in illegitimate goods has increased from \$5.5 billion to approximately \$600 billion annually.**
- **Approximately 5%-7% of the world trade is in counterfeit goods.**
- **U.S. companies suffer \$9 billion in trade losses due to international copyright piracy.**
- **Counterfeiting poses a threat to global health and safety.**

Consider the DANGEROUS FAKES:

- **The Food and Drug Administration estimates that counterfeit drugs account for 10% of all drugs sold in the United States.**

- **The Federal Aviation Administration estimates that 2% of the 26 million airline parts installed each year are counterfeit, which equals approximately 520,000 parts.**
- **In 2003, the Motor and Equipment Manufacturers Association cited safety violations due to counterfeit auto parts: brake linings made of compressed grass, sawdust or cardboard; transmission fluid made of cheap oil that is dyed; and oil filters that use rags for the filter element.**

Five Reasons You Should Never Fake It:

- 1. Counterfeiting is illegal and purchasing counterfeit products supports illegal activity.**
- 2. Counterfeiters do not pay taxes meaning less money for your city's schools, hospitals, parks and other social programs.**
- 3. Counterfeiters do not pay their employees fair wages or benefits, have poor working conditions, and often use forced child labor.**
- 4. The profits from counterfeiting have been linked to funding organized crime, drug trafficking and terrorist activity.**
- 5. When you purchase a fake, you become part of the cycle of counterfeiting and your money directly support these things you would never want to support.**

Can you spot a fake?

Sometimes it's harder than you think to tell whether or not a product is fake - especially if you are being conditioned with false information and misrepresentation from all cheating parties .