



ASSOCIATION OF
EQUIPMENT MANUFACTURERS

AGRICULTURE
CONSTRUCTION
FORESTRY
MINING
UTILITY

January 14, 2014

The Honorable William Botzow
House Committee on Commerce
and Economic Development
Vermont State Legislature
Room 35
115 State St, Montpelier, VT 05633

Dear Chairman Botzow:

I understand the House Commerce Committee will be hearing testimony on H 58, a bill expanding the coverage of Title 9, Chapter 107, Machinery Dealerships to new types of equipment and relating to warranty obligations of manufacturers, suppliers and dealers with respect to equipment and machinery dealerships, and potential amendments to H. 58 that address other contractual issues between manufacturers and dealers.

On behalf of the Association of Equipment Manufacturers (AEM) and its 850 equipment manufacturers and suppliers, we strongly oppose this legislation. H 58 is an unnecessary intrusion into the business relationship between a manufacturer or supplier and equipment dealer. This is bad public policy that offers no benefits to users of our products in Vermont.

Almost all manufacturers distribute their products through independent dealers located throughout the world. Over the decades these manufacturers and their dealers have developed close business relations that have stood the test of time and the marketplace. The contracts that have evolved are a function of the type of products, the nature of their markets and their combined experience.

These mutually agreed upon contracts are balanced to share the duties and responsibilities in such a way that both parties can make their best contributions toward a long term relationship that will succeed in supporting and serving the product users. Both parties need to be committed to work out isolated disagreements and conflicts that may arise and not seek wide sweeping legislative solutions.

We respectfully urge you to oppose this misguided legislation which is an overreaching interference with the contractual business relationship between an equipment manufacturer and dealer.

Sincerely,


Nick Yaksich
Vice President

Association of Equipment Manufacturers

1000 Vermont Avenue, NW
Suite 450
Washington, DC 20005

T 202.898.9064
F 202.898.9068

HEADQUARTERS: MILWAUKEE, WI
OFFICES: WASHINGTON, DC OTTAWA, CANADA BEIJING, CHINA
EUROPEAN RESOURCE: BRUSSELS, BELGIUM



WWW.AEM.ORG
AEM@AEM.ORG
Toll Free: 866.AEM.0442