



From the Desk  
of  
Representative  
Hoble

June 3, 2019

Oregon State Legislature  
900 Court Street  
Salem, OR 97013



JUN 04 2019

Re: Please Support HB 3152

Oregon House Representatives,

We appreciate all the work that the committee, and the full legislature, has done regarding this important data bill. As auto dealers and small business owners, the access charges assessed to our vendors come back to us in the form of increased billing (typically directly referred to as "access fees"), and serve only to drive up operating expenses, while providing NO additional level of security nor any other conceivable benefit.

We realize that data security is the focal direction that the 2 main providers, CDK and Reynolds, wanted to push the conversation as the bill was heard in committee. For the record, we have never asked for a reduction or a shift in the responsibility for data security. This bill does not suddenly convey the responsibility for data security from the provider to the dealership. We have all along paid these data management companies to provide us with outstanding and robust data security, and to properly vet our vendors, and manage their access to our data. That expectation does not change with this bill.

However, while WE have long been paying them to provide this level of data security, these companies have tapped into a captive audience (our vendors) as an additional revenue opportunity. **They do this under the under the guise that there is a cost to ensuring that the data access is secure, but it's that security that we as dealers have been paying for all along.** This is nothing more than a secondary revenue source, billing our vendors for a service we have already contracted for, using our data access as the leverage. It is therefore not surprising to us that they have been losing legislative battles on this matter in many states and are vigorously defending their ever-shrinking toehold on this spurious profit center, even if that defense is clouded in the smokescreen of "data security".

Their obligation to that level of security will be no different without the protection of this bill, and furthermore, they would still be able to eliminate or block vendors who do not meet the rigorous criteria that we all expect. Again, in summary, as dealers, we PAY our data management providers to implement robust data security, in fact it is one of the cornerstones of our partnerships with companies like CDK and Reynolds. In turn, we should expect our

vendors (assuming they meet the rigorous security standards) to be able to access our data without being billed a second time for what we already have paid for.

If we can answer any questions, we are happy to talk with you at any time by phone, or email.

Sincerely,



Chris Meier

Partner -- Herzog Meier Auto Center

President – Oregon Auto Dealers Association

Immediate Past President – Metro Portland New Car Dealers Association

[chris.meier@herzogmeier.com](mailto:chris.meier@herzogmeier.com) Office 503-644-9121



Greg Remensperger

Executive Vice President

Oregon Auto Dealers Association

[greg@oregonautodealers.org](mailto:greg@oregonautodealers.org) Office 503-213-1414