

# 'Auto lemon' hearing puts squeeze on Senate

By Teri Barnes  
staff writer

A Southfield office worker who drives 120 miles a day said she was "distracted" and "didn't know what else to do."

She bought her new car for \$12,000 just 10 months ago, and so far the car has spent three months in the dealer's garage for repairs.

Another woman, owner of a Fifth Ave. Buick, said she "paid \$17,000 for a lemon, and I have a very sour feeling in my stomach" over it. She has taken it to the dealer's repair shop on numerous occasions, but the car still drops to 45 mph when it is accelerated to 50 mph. The owner fears danger to herself, her passengers and other motorists.

The owner of a Pontiac 2,000 complained he has "17 more payments to make on my car, and it's still sitting in the driveway." He bought a used car to drive instead of the new car when repairs didn't stick.

THE THREE unhappy new car customers were among 25 who testified 3½ hours before a House committee hearing last week in Dearborn on a proposed Michigan "auto lemon" law.

Proponents say the measure, sponsored

sored by 70 of the state's 110 House lawmakers, is needed to give consumers more remedies in dealing with the major auto companies.

"This is the number-one consumer problem," said state Rep. Burton Leland, D-Detroit, chief sponsor of the measure.

A lemon law would put the burden where it should be — on the manufacturer. Michigan buys 60 percent of all the automobiles in the country, and we think it's only right that Michigan should have a lemon law."

IRONICALLY, the House Committee on Consumers held the first of its four planned hearings across the state in the former home of auto pioneer Henry Ford, Fairlane Manor, on the University of Michigan-Dearborn campus.

Besides Leland, other committee members present were Democratic Reps. Justin Burns of Westland, H. Lynn Jondahl of East Lansing and Chairman Nick Caramitro of Roseville. Two Democrats and all five Republicans didn't attend.

Other hearings in the next month are planned in Flint, Grand Rapids and Lansing.

According to Caramitro, the proposal likely will receive his commit-

tee's support when it's presented to the full House this fall.

But he is fearful of its chances in the Senate.

THE SAME measure was introduced and approved by the House last year but died in the Senate.

It failed to get an airing before a Senate committee chaired by Sen. Richard D. Fessler, R-West Bloomfield. Leland accused Fessler of "sitting" on the proposal and logjamming its chances before the Senate.

Fessler could not be reached for comment.

"They (in the Senate) see it more as an anti-business bill where we in the House see it as pro-consumer," Leland said. "We're hoping to change the results this year in the Senate by getting testimony from around the state and showing the Legislature that this subject has merit."

THE PROPOSAL would help consumers get refunds or replacements for badly manufactured vehicles but only after certain conditions were met, including:

- The defect impaired the value of the vehicle.
- The consumer tried four times to have the defect repaired and lost 30 days of its use within the first year in the process.

• The consumer took advantage of the manufacturer's appeals board with a final settlement available in 30 days. The manufacturer would be bound by the settlement upon the consumer's agreement.

In addition, attorney fees could be recovered by buyers who won court actions against manufacturers.

Similar bills have been approved in 35 other states.

ATTORNEY BOB Drazin, who has represented clients with similar complaints, called the measure an important consumer tool because it defines a "reasonable" number of times a consumer should try to have the vehicle fixed before seeking a refund or exchange.

"There are no cases in Michigan right now that define that," Drazin said.

"Right now the burden is not on the manufacturer or the dealer but on the person with a leaky engine, for instance, who has to bring the car back over and over again for repairs," Drazin added.

Chris Andrews, director of a Southfield-based consumer-service agency called Aid for Lemon Owners (ALLO), told the committee that out of the 4,000 complaints he has heard in the past three years, some 650 people could have been helped if this measure were enacted.

"That should show you how big the problem is," Andrews said. "Of those, we found the average person took their car into the shop 12 times, spending 28 business days."

ANDREWS further criticized existing arbitration panels as "frauds." Sponsored by auto companies, the panels are made up of members whose training consists of a two-hour film that stresses impartiality, he said.

"This is a war, it's a car war," Andrews said.

Andrews suggested that the arbitration process be monitored. He urged lawmakers to include a provision to that effect.

Many who spoke expressed frustration and despair in their dealings with defective cars and trucks.

Mark Smola, who traveled from Warren to testify, said he bought a 1985 Chevrolet Cavalier which began displaying problems within the first two weeks. He told of the inconveniences he has experienced relying on taxis and friends to take him to work when his car was sidelined for 16 days in the first month and a half.

HE ALSO complained of the service his dealership provided after he returned the car for repairs. "I've never in my life been treated that way by people I paid \$11,000 to. I think the country is in sad shape if this is the example of American workmanship," said Smola, who has since bought a

used '76 Mercury Monte Carlo to drive while his new car is under repair.

A Taylor woman, Joan Farmer, had similar complaints. Recently, she began carrying a picket sign outside of the dealership showroom where her \$17,000 Fifth Ave. Buick is under re-

pair for a manufacturer's defect. She complained she was spit on and had the sprinklers turned on her during her protest.

"The consumer needs some protection, and we have none right now," she said.

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## Joint Chinese venture eyed by Southfield firm

Leeco Diagnostics Inc. of Southfield, and a delegation from the People's Republic of China have signed a tentative agreement to establish a joint venture in China.

The Chinese delegation consisted of representatives from Tianjin Second Medical College and TEDAC (Tianjin Economic Technological Development Area Co.).

Leeco spokesman John Veach said it is anticipated that a feasibility study will be submitted to governmental authorities in China. The Chinese delegation indicated it expects the study to be

approved by mid-October.

Purpose of the joint venture will be to manufacture in China, and to distribute in China and elsewhere, a number of products currently produced by Leeco at its Southfield facility.

Leeco's newly released visual pregnancy test kit, Vision II, will be one of the principal products manufactured and distributed by the joint venture.

The joint venture, if completed, will offer a tremendous opportunity for the company to expand its markets, according to Leeco management.

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