# Service Tips

# ANSWERS FROM RVIA: SPLIT MODEL YEARS

The Recreation Vehicle Industry Association (RVIA) has recently published a document entitled "Q & A's on Split Model Years for Motorhomes." As the title infers, it relates to questions that can arise regarding the chassis manufacturer's model year and the model year assigned to the completed motor home by the final stage motor home manufacturer. Below is the original memo from RVIA for your reference and information.



### Q & A's on Split Model Years for Motorhomes

# How is the manufacturing of motorhomes different from cars?

Motorhomes are "multi-stage vehicles." This means that, unlike cars, they generally are built in two separate stages by two different manufacturers.

# How is motorhome manufacturing divided into different stages?

The first-stage manufacturer, also called the "incomplete vehicle manufacturer," assembles the motorhome chassis. This typically includes such components as the chassis frame, engine, fuel system, transmission, drive train, suspension, wheels, brakes and vehicular electrical system. These "incomplete vehicles" are then sold by the chassis manufacturer to final stage motorhome manufacturers, also called "completed vehicle manufacturers." The motorhome manufacturers take the chassis and build the coach body, all of the "household" systems, install the appliances, cabinets, furnishings, plumbing, lighting fixtures and a multitude of various amenities, resulting in a completed vehicle.

#### How do first stage manufacturers identify their vehicles?

According to federal law, at 49 CFR 565.13(a), a vehicle manufactured in more than one stage must have a Vehicle Identification Number ("VIN") assigned to it by the incomplete vehicle manufacturer. One character position in the VIN sequence identifies the model year of the incomplete vehicle. Once it is assigned, the VIN stays with the incomplete vehicle when it is sold to the motorhome manufacturer. The incomplete vehicle manufacturer may also ship the chassis with a Manufacturer's Certificate of Origin ("MCO"). The MCO document provides information about each particular chassis.

# How do final stage manufacturers identify their vehicles?

Final stage motorhome manufacturers continue to use the VIN assigned by the incomplete vehicle manufacturer. Motorhome manufacturers also provide MCO documents with their motorhomes when they are shipped to dealers. The model year of the completed motorhome, which is determined by the motorhome manufacturer, appears on this MCO document.

# Why do some chassis have a different model year than the completed motorhome?

An incomplete vehicle chassis is manufactured before a completed motorhome is built on it. Motorhome manufacturers may buy hundreds, even thousands, of chassis each year. Because of variations in advance purchases of incomplete vehicle chassis, the flow of new product orders, market conditions and new model roll-outs, the model year of the incomplete vehicle chassis is frequently different from the model year of the completed motorhome.

# What are some examples of model year differences?

A group of fifty chassis could be built at the end of a calendar year and assigned that year's model year by the incomplete vehicle manufacturer. A few weeks later, those chassis could be sold to a motorhome manufacturer. The motorhome manufacturer may use half of them to finish production of one motorhome make, assigning those motorhomes the motorhome manufacturer's current model year on their final MCO's. These completed motorhomes would have a model year one year greater than the model year of the chassis. The motorhome manufacturer may later use the other half of the chassis in manufacturing a new motorhome design, assigning those motorhomes the <u>next</u> model year. As a result, their final MCO's would have a model year designation that is two years greater than the chassis model year. In another example, a chassis manufacturer may decide to skip a model year entirely and designate its chassis one year ahead of the then current calendar year. This could result in motorhomes having a model year once year <u>less</u> than the chassis model year.

# Who decides what the "official" model year of the vehicle is?

The final stage motorhome manufacturer has authority to designate on the completed vehicle MCO the model year of the completed motorhome. <u>See</u> Federal Trade Commission Staff Opinion (March 5, 2001).

# Is it permissible to have different model years for the chassis and completed motorhome?

Yes, it is permissible. The United States Federal Trade Commission ("FTC") has directly addressed this very issue and determined in a formal staff option that it is NOT an unfair or deceptive trade practice for the completed motorhome and its chassis to have different model years. In recognition of the fact that the final stage manufacturer has the authority to designate the model year for motorhomes, the FTC has stated that the incomplete vehicle chassis manufacturer may use the phrase, "Model Year – Not Applicable" on the MCO's for the incomplete vehicles it sends to final stage motorhome manufacturers, if it so chooses. <u>See</u> Federal Trade Commission Staff Opinion (March 5, 2001).

# Is the motorhome manufacturer required to disclose the difference between the model year of the incomplete vehicle and the model year of the incomplete chassis?

No. However, four states (California, Maryland, Michigan, and Wisconsin) require dealers to inform purchases of multi-stage vehicles of the difference between the model year of the incomplete vehicle chassis and the model year of the final stage motorhome.

### What information is used by the state DMV offices to register motorhomes?

When a consumer has a new motorhome registered for the first time, the state DMV will use both the VIN assigned by the incomplete vehicle manufacturer and the model year and make assigned by the final stage motorhome manufacturer for the vehicle registration. All states should title motorhomes using the model year assigned by the final stage motorhome manufacturer.

### What should I do if a state DMV registers a new motorhome with the chassis model year?

If a DMV employee insists on using the incomplete chassis model year, please call the Recreation Vehicle Industry Association at 703-620-6003 for assistance. Ask for the Government Affairs Department.