

Commonwealth of Puerto Rico and another State, Territory, possession, the District of Columbia, or the Commonwealth of Puerto Rico. (Aug. 2, 1956, ch. 890, § 4, 70 Stat. 953.)

Chapter 27.—AUTOMOBILE DEALER SUITS
AGAINST MANUFACTURERS [NEW]

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§ 1221. Definitions.

As used in this chapter—

(a) The term "automobile manufacturer" shall mean any person, partnership, corporation, association, or other form of business enterprise engaged in the manufacturing or assembling of passenger cars, trucks, or station wagons, including any person, partnership, or corporation which acts for and is under the control of such manufacturer or assembler in connection with the distribution of said automotive vehicles.

(b) The term "franchise" shall mean the written agreement or contract between any automobile manufacturer engaged in commerce and any automobile dealer which purports to fix the legal rights and liabilities of the parties to such agreement or contract.

(c) The term "automobile dealer" shall mean any person, partnership, corporation, association, or other form of business enterprise resident in the United States or in any Territory thereof or in the District of Columbia operating under the terms of a franchise and engaged in the sale or distribution of passenger cars, trucks, or station wagons.

(d) The term "commerce" shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(e) The term "good faith" shall mean the duty of each party to any franchise, and all officers, employees, or agents thereof to act in a fair and equita-

ble manner toward each other so as to guarantee the one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: *Provided*, That recommendation, endorsement, exposition, persuasion, urging or argument shall not be deemed to constitute a lack of good faith. (Aug. 8, 1956, ch. 1038, § 1, 70 Stat. 1125.)

§ 1222. Authorization of suits against manufacturers; amount of recovery; defenses.

An automobile dealer may bring suit against any automobile manufacturer engaged in commerce, in any district court of the United States in the district in which said manufacturer resides, or is found, or has an agent, without respect to the amount in controversy, and shall recover the damages by him sustained and the cost of suit by reason of the failure of said automobile manufacturer from and after August 8, 1956, to act in good faith in performing or complying with any of the terms or provisions of the franchise, or in terminating, canceling, or not renewing the franchise with said dealer: *Provided*, That in any such suit the manufacturer shall not be barred from asserting in defense of any such action the failure of the dealer to act in good faith. (Aug. 8, 1956, ch. 1038, § 2, 70 Stat. 1125.)

§ 1223. Limitations.

Any action brought pursuant to this chapter shall be forever barred unless commenced within three years after the cause of action shall have accrued. (Aug. 8, 1956, ch. 1038, § 3, 70 Stat. 1125.)

§ 1224. Antitrust laws as affected.

No provision of this chapter shall repeal, modify, or supersede, directly or indirectly, any provision of the antitrust laws of the United States. (Aug. 8, 1956, ch. 1038, § 4, 70 Stat. 1125.)

REFERENCES IN TEXT

The antitrust laws, referred to in the catchline and text, are classified to chapter 1 of this title.

§ 1225. State laws as affected.

This chapter shall not invalidate any provision of the laws of any State except insofar as there is a direct conflict between an express provision of this chapter and an express provision of State law which can not be reconciled. (Aug. 8, 1956, ch. 1038, § 5, 70 Stat. 1126.)