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The Honorable Kevin Stitt
Governor, State of Oklahoma
2300 North Lincoln Boulevard, Suite 212
Oklahoma City, Oklahoma 73105

The Honorable Josh Cockroft
Secretary of State, State of Oklahoma
2300 North Lincoln Boulevard, Suite 101
Oklahoma City, Oklahoma 73105

The North America Equipment Dealers Association is an international trade association representing approximately 4,500 farm, industrial and outdoor power equipment dealers in North America. In Oklahoma, NAEDA represents 81 dealer locations. Through the sale of equipment, parts, and service our dealer members work in partnership with farmers and ranchers across Oklahoma to make them the most productive and competitive producers in the world.

Senate Bill 377 makes necessary and needed changes to the Oklahoma Fair Practices for Manufacturers, Distributors, Wholesalers, and Dealers Act. The Act was last updated in 2011. Since then, the landscape for equipment dealers has transformed dramatically. The changes in this bill reflect the intent to ensure independent Oklahoma businesses can make decisions that are in the best interest of their customers, employees, and their business.

Good Cause Definition

The updated definition of "good cause" is necessary to allow independent dealers to make business decisions without undue interference from manufacturers. The update allows dealers to make changes in executive management or ownership of the business without interference unless the manufacturer can show either change would be detrimental to the representation of their products.

This definition update is important because a dealer could otherwise risk being terminated by the manufacturer for making core business decisions that every other independent business in Oklahoma makes without concern of retaliation. The language still gives the manufacturer the ability to contest the change in management or ownership but limits those challenges to a reasonable standard rather than an arbitrary one.

Competing Lines

The change to Section 245(A)(3) is needed to allow dealers the ability to provide products and inventory that meet the needs of their customers. Equipment dealers should not be prevented from carrying multiple product lines by onerous manufacturer requirements to have separate facilities for those competing lines. Dealers understand what their customers need and this change allows independent dealers to provide choice for Oklahoma customers.

A handwritten signature in blue ink, appearing to read "Eric Wareham".

Eric C. Wareham
Senior Vice President Government Affairs
North American Equipment Dealers Association