

A STRATEGIC & LEGAL BRIEFING FOR AUTOMOTIVE RETAIL

THE END OF DATA MONOPOLIES IN AUTOMOTIVE RETAIL

The Impact of the EU Data Act on
European DMS Partner Programs



The New Law of the Land: The EU Data Act

Present Day

September 12, 2025:
Enforcement Deadline



The Definition

A landmark European regulation designed to foster a competitive data market. It guarantees fairness in the allocation of data value and gives users total control over the business data they generate.

Official EU Digital Strategy Policy:
digital-strategy.ec.europa.eu/es/policies/data-act

The Bottom Line

Data generated by your dealership belongs to your dealership, not your software provider.

Mythbusting: The Act Applies to SaaS Providers

A critical legal reality: The legislation is not limited to connected hardware (IoT).

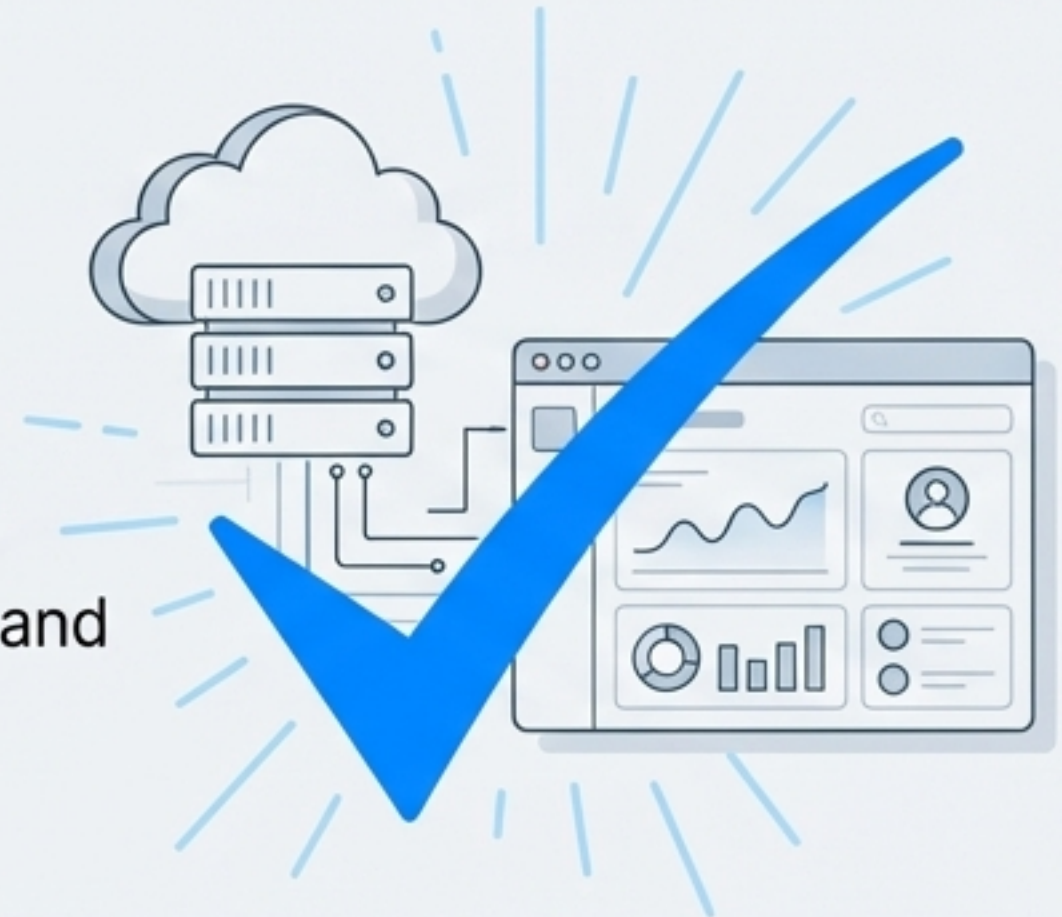
The Common Myth



The regulation only applies to connected hardware and smart vehicles.

The Legal Reality

The legislation explicitly governs Data Processing Services. This legally binds Software-as-a-Service (SaaS), Platform-as-a-Service (PaaS), and Infrastructure-as-a-Service (IaaS) providers.



Industry Proof

Under the Data Act, Salesforce will likely be considered a Data Processing Service.

The Dealership Bill of Rights

The Dealership



Unrestricted Access

The absolute right to access your business data easily, securely, comprehensively, and by default.



Freedom to Share

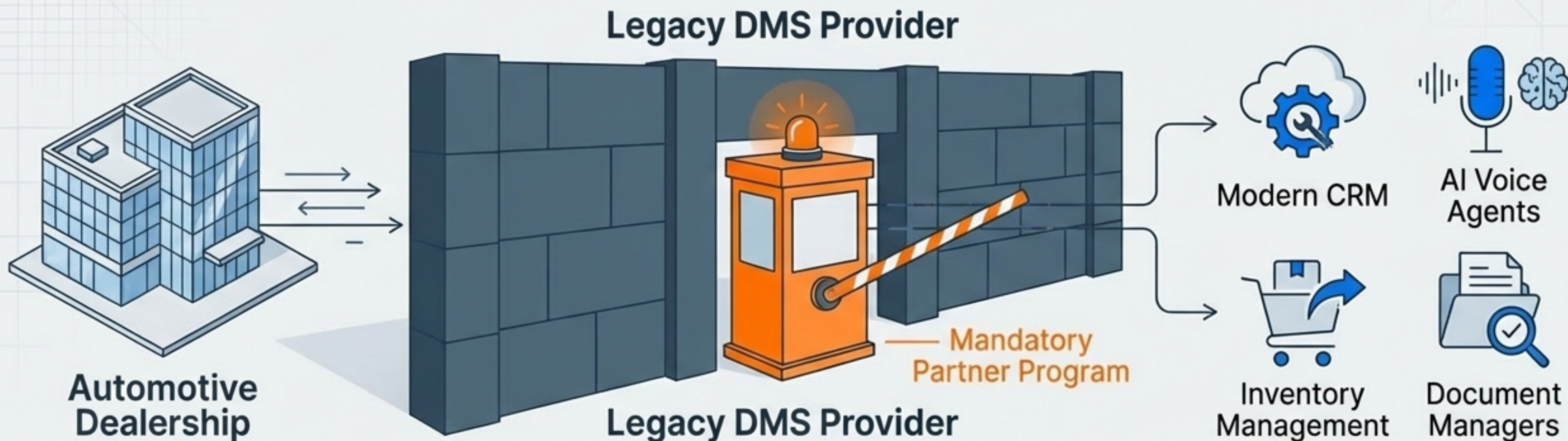
The right to mandate the data holder (the DMS) to share your data with any third-party my third-party software of your choice (CRM, Inventory Managers, AI Voice Agents, etc.).



FRAND Conditions

All data sharing must be conducted under Fair, Reasonable, and Non-Discriminatory (FRAND) terms.

The Status Quo: The DMS Gatekeepers



The Bottleneck

To deploy modern third-party SaaS tools, dealerships must connect them to their **Dealer Management System (DMS)**.

The Tactic

European DMS providers force independent SaaS vendors into **mandatory 'Partner Programs'** just to access standard APIs.

The Result

Artificial technical barriers, **delayed innovation**, and **exorbitant access fees** levied on your own data.

Exposing the Contracts: The Evidence

A European DMS

Imposes a recurring charge "equal to the greater of 20% or 30% of the Partner's customer Net Revenue" that benefits from the data integration.

An Italian DMS

Charges arbitrary, volume-based fees: "XXX Euro/month for the Stock data flow per Customer site + XXX Euro for each other data flow."

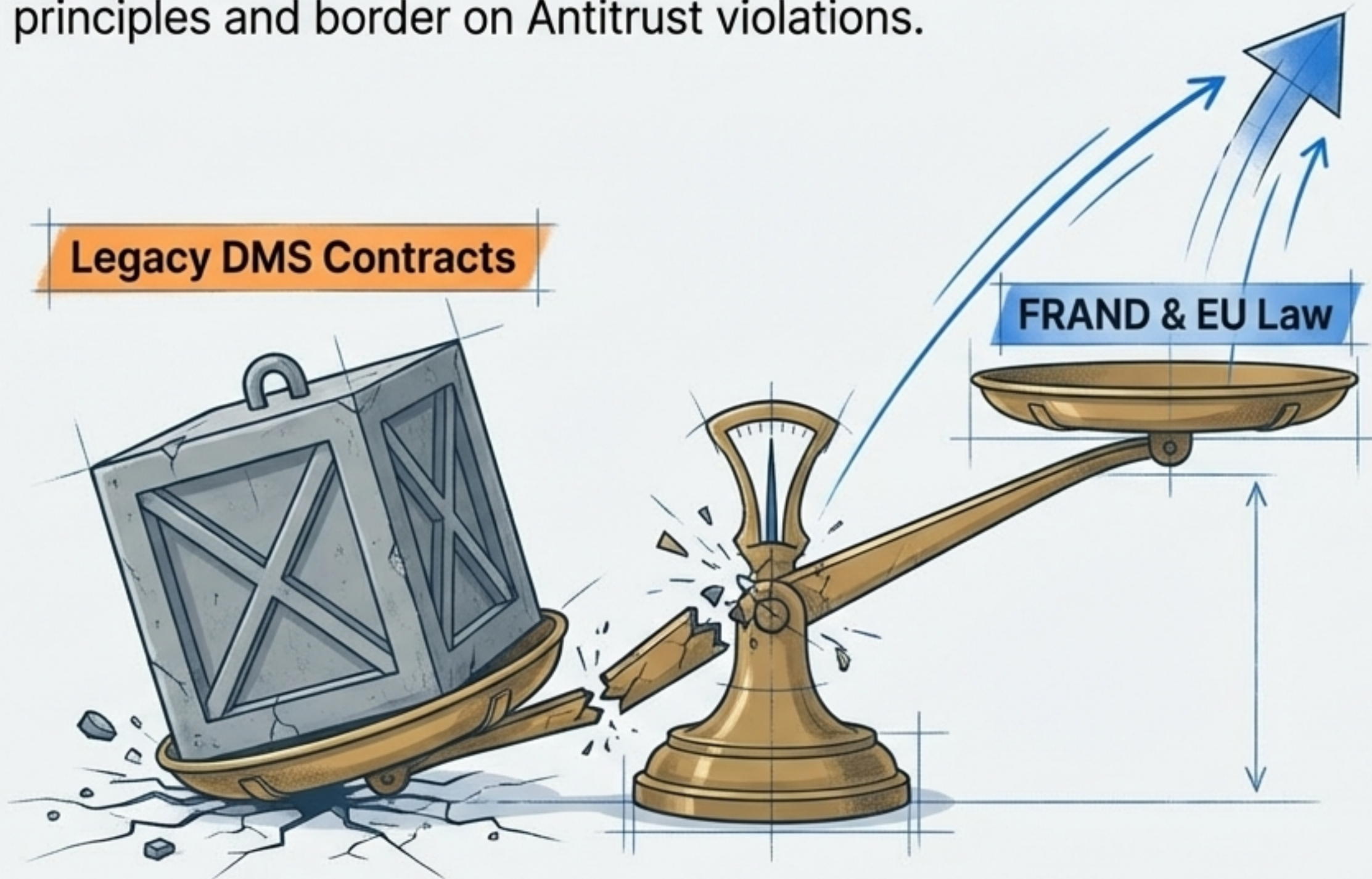
A Spanish DMS

Forces extreme non-compete and audit clauses, strictly prohibiting "the reproduction, transformation, distribution... or any unauthorized use" of the integration frameworks.

The Conflict: Partner Programs vs. Antitrust Law

The aforementioned contract clauses directly violate the EU Data Act's FRAND principles and border on Antitrust violations.

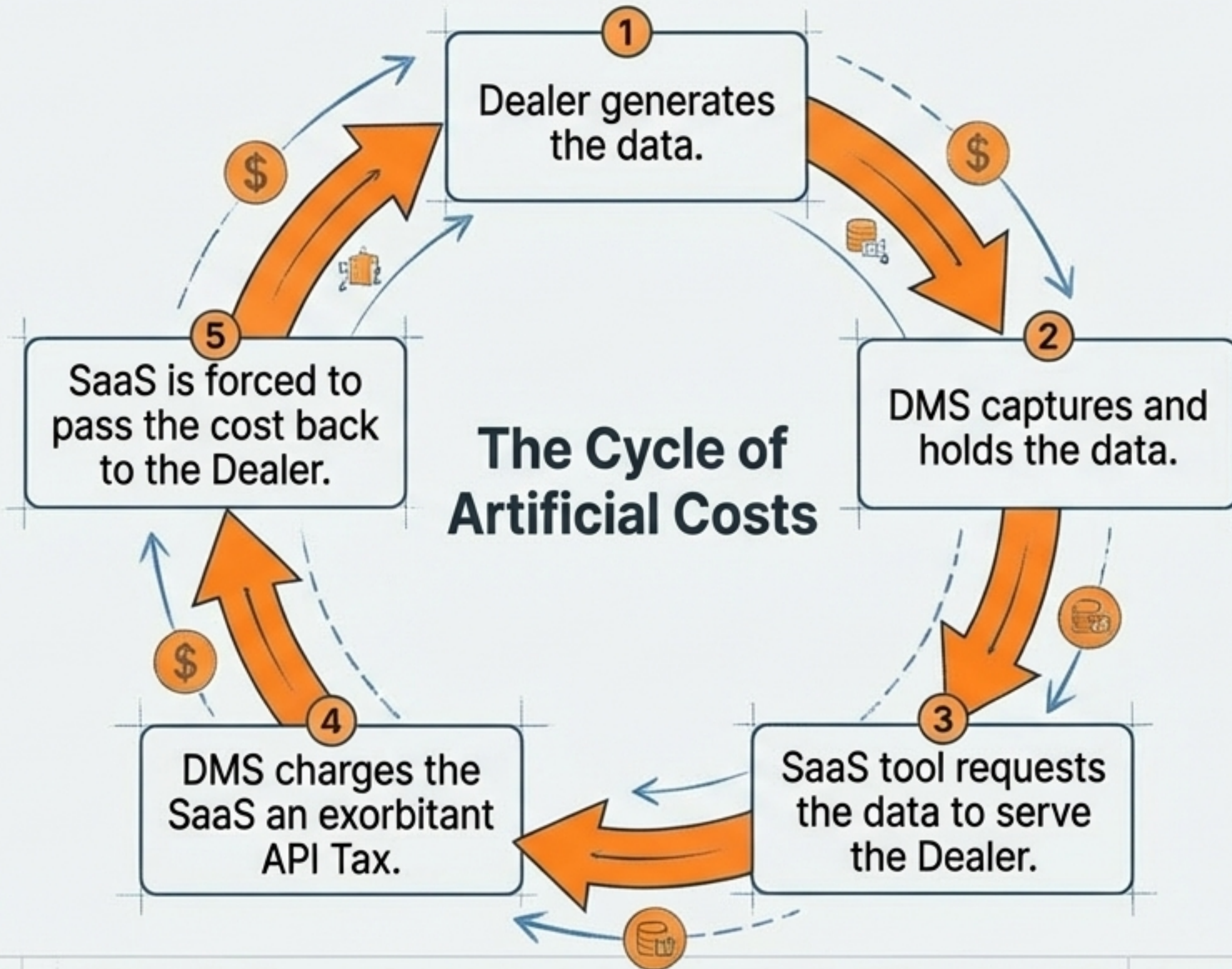
Legacy DMS Contracts



Why it Fails the 'FRAND' Test

- **Not Fair:** Taking 30% of a third-party SaaS vendor's gross revenue is an arbitrary tax, not a legitimate integration cost.
- **Not Reasonable:** Charging based on the volume of shared clients is a penalty on success, not a direct cost-recovery mechanism.
- **Discriminatory:** Non-compete clauses and strict technical lock-downs restrict the dealer's fundamental legal right to share their data.

The Ultimate Victim: The Dealership Pays N-Times



The Economic Reality

When a dealership hires a third-party tool (AI agent, CRM, Inventory Manager) attached to a Partner Program, the **SaaS vendor cannot absorb the 30% DMS tax.**

The Bottom Line

That cost is passed directly onto the dealer's invoice. The dealership ultimately pays 2, 3, or N times just to access their own generated data.

The “Simultaneous Use” Mandate



The Law - Article 23.1

Portability and interoperability obligations are not restricted to one-time data migrations or switching events.

The Impact

The EU Data Act expressly recognizes the right to use services in parallel. It mandates continuous, effective, and non-discriminatory access to data via APIs for simultaneous use.

The Translation

A DMS cannot throttle, block, or overcharge an API connection simply because a dealership is using a third-party tool alongside the DMS.

Breaking the Vendor Lock-In



The Intent

The European Commission designed Chapter VI of the Data Act explicitly to **eradicate “Vendor Lock-In”** and **promote market competition**.

The Rule

Imposing arbitrary **technical, commercial**, or contractual barriers to data access or provider switching is now strictly prohibited.

The Result

A dealership can connect **any chosen** inventory manager, AI tool, or CRM to their DMS. The DMS can no longer block the connection, degrade data quality, or impose extortionate toll fees to protect their own competing products.

Paradigm Shift: Old Monopoly vs. New Reality

The Legacy Partner Program	The EU Data Act Reality
Data Ownership DMS acts as the de facto owner.	Data Ownership Dealership has absolute, legal control.
API Access Costs 20-30% revenue share & arbitrary monthly tolls.	API Access Costs Free for users; strictly direct, FRAND cost-recovery for B2B.
Integration Rights DMS decides who is allowed to connect.	Integration Rights Dealership legally mandates who connects.
Market Lock-in Artificial technical barriers protect DMS products.	Market Lock-in Mandatory open interoperability and parallel use.

The Verdict



The Conclusion

The conduct of certain European DMS providers through their legacy 'Partner Programs' is highly likely to be deemed ILLEGAL under the incoming EU Data Act.

The Justification

Extortionate API pricing, restrictive non-competes, and artificial technical barriers directly contravene the mandatory rights of the data generator (the dealership) and the strict FRAND obligations of the data holder (the DMS).

The Path Forward: Reclaiming Your Data

September 12, 2025

For Dealerships

Audit your software stack. Demand unrestricted API access to your data. Refuse to absorb the 'DMS Tax' passed down by your vendors.

For SaaS Vendors (CRMs, AI, IMS)

Reject predatory Partner Program terms. Leverage the EU Data Act to demand direct, FRAND-compliant API access without revenue-sharing extortion.

The rules of the European data economy have changed.
Prepare for September 2025 today.