



Position Statement: Ontario's VIN Branding Failures – A Risk to Public Safety, Environmental Stewardship, and the Recycled Parts Market

The Ontario Automotive Recyclers Association (OARA) is raising the alarm on the province's deeply flawed VIN branding system—an issue that continues to undermine vehicle safety, enable auto theft, distort the recycled parts market, and compromise environmental protection.

VIN branding in Ontario is broken. Auctions are knowingly selling high-value vehicles with improperly or intentionally omitted branding. This branding manipulation increases sale values and transaction fees—but it comes at a cost to the public.

There are two immediate and serious risks:

- 1. Public Safety**

Vehicles that should be branded *salvage*—and therefore subject to mandatory reinspection before resale—are being sold without proper designation. This opens the door to unsafe, substandard repairs being sold to unknowing consumers. These vehicles often re-enter the road without ever being properly inspected, posing a danger to drivers, passengers, and the public at large.

- 2. Auto Theft Incentive**

The availability of clean titles—whether through omission, manipulation, or lack of enforcement—creates an ideal environment for VIN-swapping and organized theft rings. Criminal networks rely on these loopholes to launder stolen vehicles and reintroduce them into the legitimate marketplace.

These two threats are not theoretical—they are real and measurable. They also directly impact Ontario's professional auto recycling industry by:

- Undermining the flow of legitimate end-of-life vehicles into the recycled parts supply chain.
- Inflating inventory costs due to fraudulent resale practices.
- Creating inconsistency and doubt in recycled part traceability for insurers and repairers.

Our Recommendations

OARA calls for immediate and proactive enforcement reforms:

- **Increased OMVIC Oversight at Auctions:**
As the primary transaction point for thousands of vehicles each month, auctions are the ideal location to catch branding issues at scale. OMVIC's planned fee increases must come with increased accountability and resourcing for compliance audits, particularly focused on vehicle branding practices.
- **Prohibit Export of Undepolluted Vehicles:**
Vehicles damaged and sold for export prior to environmental depollution are hazardous to the environment and violate the spirit of Ontario's environmental stewardship commitments. This export loophole must be closed.
- **Tighter Control of Clean Titles:**
Strengthening VIN branding enforcement will reduce auto theft opportunities, protect consumers, and ensure damaged vehicles go through the appropriate channels—including proper dismantling and depollution by certified auto recyclers.

The Bottom Line

A functioning VIN branding system is the foundation for a safe, transparent, and environmentally responsible vehicle ecosystem. OARA urges OMVIC, the Ministry of Transportation, and all relevant regulators to prioritize branding enforcement, beginning with high-volume auction sites. The public deserves to know that the vehicle they purchase is safe. The industry deserves to operate on a level playing field. And Ontario deserves better oversight of a system that currently rewards the wrong players.

OARA stands ready to work with enforcement agencies, industry stakeholders, and policymakers to fix this broken system—for the safety of Ontarians and the sustainability of our automotive future.

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