

## Risk Insights

Advice for you and your business

# Tire Dealer Liability: TPMS



Tire dealers have a legal obligation to their customers to ensure the safety devices on their vehicles are in working order before the vehicles leave the shop. Although repair of a Tire Pressure Monitoring System (TPMS) is not mandatory in Canada, it's an important part of the overall vehicle safety system on vehicles where a TPMS is installed.

Tire dealers have a legal obligation to ensure that the correct tire is installed on the vehicle, that the wheel and tire do not come off while driving, and that all safety systems are working properly. Whether a product is faulty or the work is done incorrectly, damages can go beyond just physical damage to a vehicle; serious motor vehicle accidents can lead to bodily injury and even death.

Tire dealers have a higher level of tire expertise than the average consumer. Customers depend on their tire dealer for advice, so the dealer's expertise must extend to the selection of tires, and to situations where the tires are unsafe or where there is an unsafe mechanical condition. Tire dealers are obligated to warn the customer if an unsafe condition exists and to recommend the repair or replacement of tires or parts.

The best practice is to ensure that the TPMS system is fully functional when it leaves the shop and to refuse to do the work if a customer wishes to ignore or bypass the safety system. If a tire dealer decides to do the work and/or release the vehicle, they could help limit their liability exposure by having the customer sign a waiver.

If the customer refuses to have the work completed, it's imperative that the dealer document the unsafe condition on the invoice or work order and have the customer acknowledge by signature that they're aware of the unsafe condition and refused to have the work completed. Courts have found repair garages responsible for accidents occurring from unsafe tires where the customer was not warned or where the dealer could not provide documentation to support the warning.

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