



November 2, 2023

Jessica Herron
Legislative Clerk
Subcommittee on Innovation, Data, and Commerce
House Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515-6115

Re: Kathleen Callahan's Responses to Additional Questions for the Record

Dear Ms. Herron:

I want to thank the Subcommittee for inviting me to appear before it on September 27, 2023, at the hearing entitled "Proposals to Enhance Product Safety and Transparency for Americans."

Pursuant to the Rules of the Committee on Energy and Commerce, I am attaching my answers to additional questions for the record in the required format.

Thank you again for your help, and please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Callahan". The signature is written in a cursive style with a large, looping initial "K".

Kathleen Callahan
Owner
Xpertech Auto Repair

Ms. Kathleen Callahan

Attachment—Additional Questions for the Record

The Honorable Neal P. Dunn

- 1. Ms. Callahan, I've listened to your testimony regarding the importance of maintaining a competitive landscape for vehicle repairs—which promotes jobs and results in enhancements in innovation and lower costs to the consumer—and the importance of making sure vehicle owners have ready-access to repair facilities—which in turn fosters safety—and my question is this: Are there any other concerns we should be mindful of in our consideration of H.R. 906?**

Answer: Thank you for the question. You've summarized some big ones, but to your question, the answer is 'yes.' Without the REPAIR Act, there is a real threat to our supply chain. Our very livelihoods depend upon the goods and services made available by the more than nine million vehicles in our commercial trucking industry. Think of it this way: If you bought it, a truck brought it. For reference, in 2022, trucks moved 61.9% of the value of surface trade between the U.S. and Canada and 83.5% of cross-border trade with Mexico, for a total of \$947.92 billion worth of goods.¹ It bears mentioning that trucking remains a small business industry, with 95.8% of fleets operating ten or fewer trucks.² These fleet owners face the same challenges that car owners do when it comes to getting their vehicles repaired—from, among other things, the standpoint of ease of access to higher costs in the absence of a vibrant market for repairs. First, they should not have to wait to go to a dealer to keep their trucks on the road – and in order to deliver the goods and services we require. Trucks can get fixed faster and come back on the road sooner if owners can self-repair or use their independent shops. Second, they should not have to bear, unless they so choose, the higher costs associated with repairs conducted by dealerships—costs which, it bears mentioning, will be passed on to the end-users of the product or service made available by that commercial truck, the American consumer.

- 2. Ms. Callahan, there has been a good deal of focus on the need for the REPAIR Act in the context of passenger cars, but obviously the bill is intentionally broader and includes commercial vehicles. My question is this: Are there differences between the two—say, a passenger car and a commercial truck—that we should consider in the context of H.R. 906?**

Answer: I would say 'yes', in that problems such as 'accessibility' to a repair facility are exacerbated in the context of commercial trucking. It is my understanding that, as of 2022, there were more than 16,000 franchised car dealerships—meaning, light-duty vehicle— in the United States.³ While I don't have specifics, I understand Navistar, one of the world's largest

¹ ATA American Trucking Trends 2023.

² ATA American Trucking Trends 2023.

³ National Automobile Dealers Association, <https://www.nada.org/nada/nada-data>.

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manufacturers of commercial trucks—under its “International” brand—boasts having nearly twice as many dealer locations as any of its competitors, indicating that, all-in, there are well-under 3,000 of those manufacturers’ dealerships in the United States.⁴ Additionally, many commercial trucks have very specific applications, and renting a suitable replacement when, say, repairs on that truck are delayed is simply not an option. The following example comes to mind: A friend purchased a car from a dealer and ran into some problems with it. He took it back to the dealer and was told it would be a week before the necessary repairs could be made. Fortunately, the dealer was able to get him into a rental car, enabling him to have a car to use until his car was ready. If that car had instead been a fuel oil truck, renting likely would not be an option. Further, many small fleets simply do not have backup trucks and are rendered unable to perform their service during a downtime event, such as a repair.

The Honorable Diana Harshbarger

- 1. Ms. Callahan, we appreciate the focus on giving consumers access to repair data, however, is it not true that vehicles collect broader consumer generated data? Should consumers not have access to all their consumer generated data?**

Vehicle manufacturers collect terabytes of data from vehicles they manufacture today. They have announced plans to monetize that data to the tune of billions of dollars.

<https://www.stellantis.com/en/news/press-releases/2021/december/stellantis-targets-20-billion-in-incremental-annual-revenues-by-2030-driven-by-software-enabled-vehicles>

As a car owner myself, I would like access to all of the data my car is collecting and transmitting; at a minimum, I’d like to really understand where it is going and how it is being used. In my role as a representative of the aftermarket, however, my shop only needs access to the maintenance, diagnosis, and repair data from the vehicles.

The Honorable Jeff Duncan

- 1. Ms. Callahan, we appreciate the focus on consumers’ ownership and access to their vehicle generated repair data, as we understand how not having ownership of such data impacts the cost of repairs, which ultimately gets passed on to the consumer. However, is it not true that vehicles can collect and share broader consumer generated data, including sensitive personal information, as noted in [a recent study by the non-profit Mozilla Foundation](#)? Should consumers have ownership and access to all of their consumer generated data?**

⁴ <https://www.internationaltrucks.com/en/dealernetwork>. The seven largest manufacturers are Daimler (Freightliner and Western Star), PACCAR (Peterbilt and Kenworth), Navistar (International), and Volvo (Volvo and Mack). <https://chartertrucks.com/7-largest-semi-truck-manufacturers-in-the-us/>. Volvo boasts of having over 400 locations in North America. <https://www.volvotrucks.us/our-difference/uptime-and-connectivity/dealer-network/>. Peterbilt likewise has over 400 locations in North America. <https://www.fleetequipmentmag.com/peterbilt-dealer-network/#:~:text=Peterbilt%20Motors%20Co.,400%20locations%20across%20North%20America>.

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Answer: Vehicle manufacturers collect terabytes of data from vehicles they manufacture today. They have announced plans to monetize that data to the tune of billions of dollars.

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The Honorable Russ Fulcher

- 1. You testified in response to a question that “currently many of the European auto manufacturers do not participate in the MOUs that we have had in place since 2014 with modifications.” Which European manufacturers do not provide sufficient information to diagnose, service and repair out of warranty vehicles?**

Answer: Mercedes-Benz is a particularly difficult auto manufacturer with which to do business. Mercedes-Benz, like other manufacturers, has instituted restrictive gateways on new vehicles that limit the ability of aftermarket repair shops to send necessary repair commands through the vehicle OBD-II port. If the OEM allows repairs to be made with the purchase of additional OEM diagnostic tools, it can take months to acquire the tools. With these gateways in place, the aftermarket is unable to:

- Perform routine maintenance and services, such as windshield replacements, wheel alignments, and post-collision repairs, such as front or rear bumper replacements, becomes challenging.
- Identify vehicle malfunctions and the causes behind check engine lights and other dashboard indicators.
- Complete routine repairs and service such as windshield replacement and wheel alignments and post-collision repairs such as front or rear bumper replacement; and
- Validate completed repairs and deactivating dashboard lights.

I had similar issues with BMW and Porsche and thus decided just to stop servicing those brands.

- 2. Is there particular specific information that is not available? What submissions or interactions have you had with the National Automotive Service Task Force (NASTF) regarding specific information? And what has been their response? It is our understanding that NASTF is designed to facilitate communication and advocacy between independent auto repair technicians and automakers and to identify and resolve accessibility gaps in service, and tool and training Information.**

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Answer: I have not personally had any interaction with NASTF. My technicians have one goal – to get my customers’ cars fixed and back on the road. If we can’t access the information to make that repair safely, we send the owner to the dealership and move to the next customer. We don’t have time to engage in an administrative process that is purely voluntary on the manufacturer’s part. My view is that if the manufacturer isn’t making the repair data available, they are blocking that access intentionally and a non-enforceable call from NASTF isn’t going to change that decision.

The Honorable Russ Fulcher (continued)

3. Can you describe specific examples of how your shop has been restricted in getting the data needed to diagnose and/or repair a customer’s vehicle?

Answer: Original equipment manufacturers (OEMs) are implementing gateways which are OEM-controlled barriers between the vehicle and the diagnostic tools and equipment used by independent repair shops. The availability and consistency of diagnostic tools and access to these restrictive gateways vary widely within the automotive industry, a discrepancy that is growing more pronounced with the increasing complexity of vehicles. These restrictive gateways and proprietary non-standard implementations control access to the vehicle maintenance and repair data. As manufacturers create more and more parts that can only be replaced with OEM parts and require configuration changes to be sent through the restrictive gateways, consumers will be forced to go to OEM dealers for all repairs involving parts replacements.

For example, automakers such as Genesis, Hyundai, Kia, Mercedes Benz, and Nissan have instituted restrictive gateways on new vehicles that limit the ability of aftermarket repair shops to send necessary repair commands through the vehicle OBD-II port. If the OEM allows repairs to be made with the purchase of additional OEM diagnostic tools, it can take months to acquire the tools. With these gateways in place, the aftermarket is unable to:

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