Motor & Equipment Manufacturers Association
1030 15th Street, NW Suite 500 East Washington, DC 20005
Tel 202.393.6362 Fax 202.737.3742 E-mail info@mema.org

www.mema.org

November 20, 2015

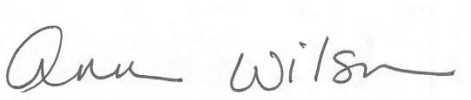
The Honorable Michael C. Burgess, M.D.
Chairman, Subcommittee on Commerce, Manufacturing, and Trade
Committee on Energy & Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Burgess:

Below are MEMA's responses to your questions for the record from the hearing held on October 21, 2015.

We appreciated the opportunity to testify, and look forward to working with you on these issues in the future.

Sincerely,



L. Ann Wilson
Senior Vice President,
Government Affairs

MEMA responses to Questions from the Honorable Michael C. Burgess, M.D.

1. Ms. Wilson, you testified that the Motor & Equipment Manufacturers Association is working with auto manufacturers to create an ISO standard for third-party or aftermarket devices that are plugged into the OBDII port. When will that standard be completed?

A: MEMA has approached automakers about working together in developing a Vehicle Station Gateway (VSG), which will replace the existing OBD2 port. Discussions are in the early stages, and the timing for the VSG completion is currently unknown. The VSG will address common wireless communication

protocols and allow for multi-client access; franchised dealers, independent repair facilities, and the aftermarket will have common protocols for open access to vehicle systems.

2. Do the part suppliers and independent aftermarket community represented by MEMA abide by a formalized set of data privacy and security practices, akin to the Auto Alliance and Global Automakers privacy principles? If not, are there plans to create data privacy or security principles among part suppliers and the independent aftermarket?

A: Suppliers are committed to principles of data privacy as outlined by the Alliance of Automobile Manufacturers and Global Automakers. However, there is no formal aftermarket set of principles (or document), primarily due to the fact that the aftermarket does not have the ability to, nor has it been granted by manufacturers, access to vehicle data. With respect to cyber security, suppliers are able to join with automakers and participate in the automotive industry Information Sharing & Analysis Center (ISAC), which is designed to share information and best practices on existing cyber threats, effective responses, and enhancing vehicle systems against future threats.

3. How do part suppliers currently work with vehicle manufacturers during a safety recall when a part has been identified as defective?

A: Once a defect has been identified, NHTSA's Office of Defect Investigation (ODI) typically works directly with the automaker, who in turn works with the supplier(s) to gather information about specific part(s) needing replacement. Automakers often add their own part number to a part with a supplier generated number. NHTSA also contacts suppliers directly when investigating a defect. The contract between the automaker and supplier provides the terms for replacement parts; contract provisions for a recalled part may include the engineering, testing, production, and quantity needed for replacement parts, as well as the respective financial obligations for the replacement parts by the automaker and/or the supplier.

4. How do part suppliers work with NHTSA during motor vehicle or motor vehicle equipment recalls?
    A. Do part suppliers currently provide part numbers of the defective parts or components to auto manufacturers and NHTSA during a recall?

    B. Do part suppliers work with auto recyclers during recalls?

A: When a recall is issued, part numbers are provided to NHTSA by the automaker. Recalled vehicles are searchable (by VIN) on automaker websites and on NHTSA's website. Auto parts recyclers, auto parts retail stores, and independent repair facilities do have access to published and electronic catalogs that list vehicle part numbers, which they can reference when there is a recall. MEMA has provided NHTSA with additional information (attached) about additional products & solutions to better identify specific parts in a recall in order to increase recall completion rates.

5. Making sure remedy and repair parts are available in the event of a recall is essential to keeping vehicles safe and achieving a 100% recall completion rate. How are part suppliers working to address part availability issues that have been faced in the past to be better prepared for any future safety recalls?

A: In most circumstances the capacity exists to manufacture replacement parts and make them available for repairs. Recent media reports indicate that the Takata airbag case was an exception because initially Takata was the only identified manufacturer of those particular airbag inflator parts. The sheer number of recalled vehicles initially led to a shortage of replacement parts, however now there are other manufacturers producing replacement inflators needed for repairs.

6. What new technologies are part suppliers developing to help auto manufacturers meet more efficient fuel economy and greenhouse gas emissions standards?

A: There are several advanced technologies now available to help meet fuel economy standards; they include but are not limited to: Start-Stop technology, Adaptive Cruise Control, electronic control of fuel consumption, light weighting and greater use of aluminum and composite materials, and multi-speed transmissions.
In addition, suppliers have developed and manufacture enabling technology which are necessary to allow vehicles to work with a component or system to provide the measured fuel economy under real world conditions. Enabling technologies make it possible for component systems and/or components to achieve better efficiencies. Some examples of enabling technologies currently in the marketplace include:

- **Emissions control systems enable diesel engines to meet stringent US tailpipe criteria emissions regulations, allowing the high efficiency diesel to be sold in the U.S. market.**
- **Electric air conditioning compressor operate in a gasoline-electric hybrid vehicle when the internal combustion engine is "off," allowing a hybrid vehicle to operate in**

"engine-off" mode at low speeds and in traffic while still providing passengers a cool cabin.

- **Regenerative braking allows a vehicle to recapture and store part of the kinetic energy that would otherwise be lost to heat when braking. This energy is used to recharge the electric batteries to enable the vehicle to achieve a substantial increase in fuel efficiency.**

7. We have seen that when a car's cybersecurity defenses are breached, there is confusion as to whether the parts supplier is at fault or the auto manufacturer. For example, the part of the car that was breached was built by a supplier. But the supplier was building to the auto manufacturer's specifications, so there is this accountability loop. How do parts suppliers work with automakers to build cybersecurity into auto parts?

A: Like other industries, the automotive industry is quickly being transformed through greater use of technology and wireless communications capabilities. Suppliers work with automobile manufacturers to protect systems, however vehicles present additional challenges because while the in-vehicle software is owned by the manufacturer, vehicle owners and users often wirelessly connect their vehicles to phones and other portable devises, increasing risks cyber vulnerabilities. Security protocols for vehicles address the in-vehicle systems, which are often produced by multiple suppliers but integrated by the automakers. The automotive industry ISAC provides a good framework for automakers and suppliers to address cybersecurity issues, including in-vehicle systems and how they are impacted by wireless personal devices.

8. What safety incentives should the Committee consider for suppliers of Heavy-duty vehicles?

A: MEMA has long supported the passage of incentives to encourage the purchase and installation of advanced safety technologies by fleets and owner-operators. Heavy vehicle parts manufacturers develop and manufacture a variety of advanced safety technologies with demonstrated safety benefits, including brake stroke monitoring systems, lane departure warning (LDW) and blind spot detection systems, automatic emergency braking (AEB) systems, trailer-based stability control systems, and electronic stability control systems (ESC). These technologies could mitigate or avoid many of the types of incidents identified in the 2006 Large Truck Crash Causation Study (LTCCS), which was published following an in-depth study into the causes and contributing factors of large vehicle crashes. The LTCCS found that more than 60 percent of incidents involving heavy vehicles were the

result of rear-end collisions, side-swipes, loss of control, and/or running off the road or out of the lane. Also, brake problems were factors in about 30 percent of cases studied.
Both the House and the Senate have passed language in H.R. 22 that provide regulatory incentives for commercial vehicle fleets that install these advanced vehicle safety technologies. That language is included in Sec. 5222 of the House version and Sec. 32002 of the Senate version. This language allows for fleets that go "Beyond Compliance" in the existing Compliance, Safety, and Accountability (CSA) program at the Federal Motor Carrier Safety Administration (FMCSA) to earn credit towards improved CSA scores.

MEMA strongly supports the passage of this language and encourages the Committee to support these provisions in the conference committee. MEMA also encourages the Committee to work with the House Transportation and Infrastructure Committee and the Senate Commerce Committee to encourage FMCSA to quickly implement this program and conduct oversight once the program is fully functional.

Additional information referenced in answer to question # 4:

CONNECTING NHTSA TO THE AFTERMARKET IN THE RECALL PROCESS

MEMA and its members serve a broad range of market segments, product types and customers providing parts and information for the more the 250 million light vehicles on US roads. MEMA and its members have solutions that have the potential to assist NHSTA in increasing recall completion rates. MEMA looks forward to an open dialog with NHTSA on the potential opportunities to address this critical need.

OptiCat LLC
OptiCat, a supplier owned data services company, validates and delivers aftermarket supplier vehicle application data to parts distributors and their customers that allows the accurate

matching of replacement parts to the correct vehicles. This information is used and accessible by thousands of auto parts stores and independent service and repair providers. Through OptiCat, suppliers could potentially assist NHTSA and the motor vehicle industry in the completion of recalls by some or all of the following actions:

- Alerting motorists (via the OptiCatOnLine.com web site), repair technicians, distributors and others regarding parts recalls and, depending on available data, relate the information to alternative aftermarket parts;
- Linking to the NHTSA data base regarding vehicle and parts recalls to inform suppliers quickly when recalls are occurring;
- Helping parts suppliers, through more effective information, to address parts that are similar, or related to, the recalled original equipment part in order to encourage parts design improvements, clearing parts from the marketplace and other appropriate activities.

Monitoring Salvage Yards

RAS, a member of MEMA, has created a unique solution that may also help original equipment vehicle manufacturers (OEMs), suppliers and NHTSA locate and procure automotive parts from salvage facilities that are subject to a safety recall. Working closely with vehicle manufacturers, RAS is able to locate the exact part in the inventories of over 4,000 salvage yards throughout North America, reimburse the salvage for the part (as funded by the OEM), and transport into their central location in RI for further disposition. The program could:

- Help remove safety recall parts from the market, thereby reducing the chances of a safety recall part being re-sold and re-used by the public;
- Increase the completion rate for OEMs and parts manufacturers on a safety recall;
- Provide VIN traceability and validation for the OEM and parts manufacturer;
- Aid OEMs and suppliers in their reporting requirements to NHTSA.

Once a program is in place with the OEM, there is a daily push of every part and every VIN to an FTP site for customer use.