

May 1, 2017

Maureen K. Ohlhausen Acting Chairman Federal Trade Commission 600 Pennsylvania Ave., NW Washington, DC 20580

RE: Connected Cars Workshop and P175403

Dear Acting Chairman Ohlhausen:

On behalf of the Motor & Equipment Manufacturers Association (MEMA), we are writing regarding the cited subject to provide input on the upcoming June 28 joint workshop hosted by the Federal Trade Commission (FTC) and the National Highway Traffic Safety Administration (NHTSA). MEMA looks forward to this workshop and the opportunity to discuss important issues surrounding connected and automated vehicles – particularly data, security, and privacy.

Introduction

MEMA is a leading trade association representing about 1,000 vehicle component suppliers in the fast-changing mobility industry. Our members manufacture and remanufacture original equipment and aftermarket components and systems for use in passenger cars and heavy trucks and contribute more than 77 percent of the value in today's vehicles.¹ MEMA represents its members through four divisions: Automotive Aftermarket Suppliers Association (AASA); Heavy Duty Manufacturers Association (HDMA); Motor & Equipment Remanufacturers Association (MERA); and Original Equipment Suppliers Association (OESA).

Vehicle industry stakeholders and government officials are fast preparing for a future of improved mobility of connected vehicles that includes a suite of advanced driver assistance systems (ADAS), pedestrian detection systems, connected vehicles (V2V, V2I, V2P, V2X communications), and highly automated vehicles (HAVs). MEMA members lead the way in developing and deploying a wide range of these technologies and other critical safety

¹ Vehicle suppliers are the largest manufacturing sector in the United States directly employing over 871,000 Americans in all 50 states plus the District of Columbia. Together with indirect and employment-induced jobs, the total employment impact of the motor vehicle parts manufacturing industry is 4.26 million jobs. Nearly \$435 billion in economic contribution to the U.S. GDP is generated by the motor vehicle parts manufacturers and its supported activity. (SOURCE: "Driving the Future: The Economic Impact of the Motor Vehicle Parts Manufacturing Industry on the United States," MEMA and Boston Consulting Group, January 2017.)









innovations, all with the goal of saving lives. Suppliers are invested in and prepared for a connected vehicle environment.

The Connected Vehicle Environment

MEMA advocates for joint industry endeavors to support the safety and security of a connected vehicle environment. Both OE and aftermarket suppliers have dedicated considerable resources to support various research and development projects not only internally and within their supply chain, but also with their vehicle manufacturer customers (OEMs) and government partners.

MEMA's aftermarket members play a key role such that some of their technologies can assist and expedite market take rates of aftermarket safety components and serve as a catalyst for realizing the technologies' safety benefits sooner (examples include: vehicle-tovehicle communications and aftermarket add-on systems that address crash warnings, mitigation and/or avoidance). Moreover, MEMA and our aftermarket division AASA are working on efforts to create a Secure Vehicle Interface (SVI) standard to provide a secure gateway for access to vehicle diagnostics and data to ensure motorists retain the freedom of choice for vehicle service and repair. We have actively engaged with the Society of Automotive Engineers International (SAE), several OEMs and their trade respective trade associations, as well as other aftermarket interest groups on developing a global security protocol standard for SVI.

In the evolving motor vehicle landscape, technology provides the opportunity to significantly reduce motor vehicle fatalities and provide greater access to personal mobility. At the same time, as recognized by FTC and NHTSA, advanced technology also requires a greater emphasis on cybersecurity and personal privacy. MEMA supports the initial agency approach to cybersecurity with NHTSA's "Cybersecurity Best Practices for Modern Vehicles" guidelines published in 2016. Also, MEMA and our members have been involved with the Auto-ISAC (Information Sharing and Analysis Center) by engaging with them early in its development. Many Tier 1 suppliers are affiliate members of the Auto-ISAC and MEMA joined as a "Strategic Partner." Most recently, the Auto-ISAC expanded their membership scope to also include heavy duty vehicle manufacturers, suppliers, and fleets/carriers. This entity is a critical component in addressing ever-expanding security pressures on the connected vehicle environment.

FTC/NHTSA Workshop - Topic Suggestions and Request to Participate

Certainly, the opportunities created by advanced technologies are accompanied by new challenges. MEMA is glad to see that the FTC and NHTSA are addressing some of these critical policy and technical challenges in the planned June 28, 2017 "Connected Cars Workshop." The topics and questions presented in the notice are very comprehensive. At the request of FTC and NHTSA, MEMA has provided some additional points for the agencies' consideration in planning the discussion topics for the workshop agenda. We

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believe the following topics presented below can be incorporated as part of some of the existing questions / topics listed in the public notice.²

- Discuss/Dispel Myths About Vehicle Data Collection
 - Sensors and ECUs generate lots of data, however, most are used in real-time and discarded immediately
 - No way to store all of it (and no reason to either)
 - No way to transmit all of it and even if you could there is no way to store all of it at the receiving end
- Cybersecurity the Threat is Real
 - Address "big picture" issues and how on-vehicle networks are connected to the outside world
 - o Look at worst case scenarios on vehicle networks
 - Consider using air gaps on critical systems (steering, braking, throttle control)
- What are the Differences Between Connected Vehicle Technologies?
 - Discuss the key differences between V2V communications and other connected vehicle systems and services
 - Discuss unregulated/uncontrolled vehicle connectivity (dongles, telematics systems, linked phones, etc.)

Furthermore, as suppliers are key innovators and developers of many connected and automated vehicle technologies, MEMA respectfully seeks an opportunity to participate in the June 28 workshop. Specifically, we would like to propose and offer MEMA's Chief Technology Officer Brian Daugherty, whose background and expertise in existing and emerging vehicle technologies are well suited to the workshop's subject matter.

In summary, MEMA appreciates the FTC and NHTSA consideration of our input to the workshop and request to participate. For questions, please do not hesitate to contact either of us.

Regards,

Brian Daugherty Chief Technology Officer bdaugherty@mema.org



Leigh S. Merino Senior Director, Regulatory Affairs <u>lmerino@mema.org</u>

² FTC online Public Notice "<u>FTC and NHTSA Seek Input on Benefits and Privacy and Security Issues Associated with</u> <u>Current and Future Motor Vehicles</u>" March 20, 2017.