

Senate Commerce, Science and Transportation Committee --
Subcommittee on Consumer Affairs, Product Safety, and Insurance
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Re: Compliance with All-Terrain Vehicle Standards

Statement of
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Statement Summary

A new study released by the Specialty Vehicle Institute of America revealed a host of dangerous safety problems with youth-model all-terrain vehicles from several companies that are new to the U.S. market. The study analyzed four such “new entrant” ATVs and found that each one failed to comply with the voluntary industry standard agreed to by established ATV companies and by the U.S. Consumer Product Safety Commission. The study authors concluded that three of the four ATVs suffered from severe safety issues and may constitute a Substantial Product Hazard under U.S. law, subject to a CPSC recall. Hazards included inadequate brakes and suspension, no lockout to prevent starting while in gear, and top speeds beyond the limits established for youth models. The study revealed that the four new entrant ATVs tested pose a serious safety risk to consumers.

The study was commissioned to examine and test the new entrant ATVs for compliance with the ANSI/SVIA-1-2001 standard, and to determine the extent to which the new entrant companies are providing proper product safety information, warnings, training and product support. The ATVs tested were all youth- or small-sized vehicles intended for use by children under age 16. All of the problem ATVs are targeted to the youth market and are readily available over the Internet or at various retailers not traditionally associated with powersports products.

The SVIA report was authored by two former U.S. CPSC experts at the firm Marchica & Deppa. The four ATVs do not comply with ANSI/SVIA-1-2001 American National Standard for Four Wheel All-Terrain Vehicles – Equipment, Configuration, and Performance Requirement, nor with the voluntary agreement between the CPSC and the established ATV companies who are members of SVIA.

This report confirms SVIA’s worst fears - new entrants to the U.S. market that don’t comply with the voluntary safety standards established ATV companies adhere to are jeopardizing the safety of young riders. These new entrants now comprise 20 percent of the market and are undercutting the safety programs developed by established ATV companies.

Two of the smallest ATVs sold for use by young children were so unsafe that youth test operators were not allowed to ride them. The high speed, poor brakes

and suspension systems of these products were deemed too potentially dangerous.

Marchica & Deppa chose the new entrant ATVs from the Internet. Three were purchased by phone and delivered directly to the home of one of the partners. The ATVs purchased included a Baja Motorsports 90cc, a Kazuma Meerkat 50cc, Sun L SLA-90cc, and a Long Chang Lion S 110cc. The vehicles were delivered without having been properly set up and adjusted, including potentially hazardous assembly omissions and tires inflated to five or six times over the recommended pressures – which is another serious safety problem.

SVIA has contacted many new entrants, provided complimentary copies of the standard, and encouraged SVIA membership and participation in the safety programs offered by the more established ATV companies. Their disregard for consumer safety could seriously undermine the current government and industry efforts to enhance ATV safety, and leave the government no choice but to mandate compliance with the voluntary standards.

SVIA urges Congress to enact legislation to make the voluntary industry standards, responsible sales practices and the offer of free training with purchase, mandatory for any ATV sold in the United States.

STATEMENT OF TIM BUCHE, PRESIDENT Specialty Vehicle Institute of America

Good morning Mr. Chairman and Members of the Subcommittee. I am Tim Buche, President of the Specialty Vehicle Institute of America, or SVIA.

The SVIA is a not-for-profit trade association formed in 1983 and sponsored by Arctic Cat, Bombardier, Bush Hog, Honda, Deere, Kawasaki, Patriot, Polaris, Suzuki, Tomberlin and Yamaha. SVIA promotes the safe and responsible use of all-terrain vehicles and serves as a resource for ATV research, statistics, and vehicle standards.

I welcome the opportunity to speak before the Subcommittee on behalf of the SVIA companies. A major concern of the SVIA is the influx of new entrants to the U.S. ATV market whose products do not meet industry standards and are sold to customers who receive no offer of formal safety training.

I will address this topic in detail in a moment, but first I would like to provide some background.

In 1985 SVIA was accredited by the American National Standards Institute, or ANSI, to proceed with the development of a voluntary standard for the equipment, configuration and performance requirements of 4-wheel ATVs.

The ANSI administrative procedures for standards development are rigorous, extensive, transparent, and subject to audit.

The SVIA, as an accredited standards developer using the ANSI canvass method, assumed responsibility on behalf of the ATV industry for managing the standards development process to assure that the final product was acceptable to a consensus of interested parties and in full compliance with ANSI guidelines.

As I mentioned previously, for some time there have been a number of new entrants to the U.S. whose products do not meet the industry standard and are sold to customers who receive no offer of formal safety training. The SVIA considers these irresponsible sales practices.

This year SVIA engaged Marchica & Deppa, LLC, an engineering consulting company specializing in consumer product safety, to conduct testing on four representative new entrant ATVs for compliance with the ANSI standard and delivery of safety information, training and product support programs to consumers. The two principals of the company have more than 55 years' combined experience at CPSC. Roy Deppa was previously Director of the Division of Mechanical Engineering and Associate Director for the Office of Compliance. He also worked as Chief Engineer of the original CPSC ATV Task Force in 1986. Nick Marchica was Chairman of the original ATV Task Force and subsequently served as Associate Executive Director for Engineering Sciences, Assistant Executive Director of the Office of Compliance, and most recently as Special Assistant to Commissioner Nancy Nord.

The four ATVs they tested were manufactured in China and are all youth-size or small-size ATVs that are being marketed and sold for use by children under 16. Marchica & Deppa reported their test results and conclusions for each

of the four new entrant ATVs. A copy of the report is being submitted for the hearing record.

The report found that *all four* new entrant ATVs *failed* to comply with the ANSI standard and that none met the safety program requirements that the sponsoring SVIA member companies have agreed to for many years under their Action Plans with CPSC. These failures were significant, and include violations of critical ANSI standard provisions such as maximum speed limitations for youth models, brake and parking brake performance, and mechanical suspension. Marchica and Deppa found that *three of the four new entrant ATVs* contained features, such as lack of front brakes, no or inadequate suspension systems, and starting in gear, that, in their expert opinion, may constitute substantial product hazards, requiring *immediate recalls* under Section 15 of the Consumer Product Safety Act. And the two smallest-size ATVs, which are being marketed and sold for use by young children, were deemed “too potentially dangerous” for a youth test rider to operate because of poor brakes and excessive high speed.

In addition, Marchica & Deppa found numerous new entrant ATVs being marketed to children over the Internet. Three of the four new entrant ATVs tested were found on websites, purchased over the telephone, and delivered directly to the home of one of the experts. These vehicles were delivered without having been properly set up and adjusted, and had major problems such as tires that were flat or severely overly inflated, broken switches, and parts that were loose or dismantled. During the testing, nuts, bolts, and grommets fell off one of the ATVs while it was being operated.

The one ATV that was purchased from a store was delivered with no safety information. In fact, the store salesperson only instructed that if a passenger rode on the child-size ATV -- which is designed for a single operator -- the passenger should loop a shutoff lanyard (which is supposed to be used by parents for training purposes) *around the wrist of the passenger* so that if he or she falls off, the engine will stop and the vehicle will not run over the passenger. In addition, the website for this ATV’s distributor directs purchasers to another website on safety; but, the “safety” website does not exist on the Internet.

The safety problems found by Marchica & Deppa are serious and representative of the hazards created by these new entrant ATV products. Recent industry estimates indicate that new entrant ATVs now account for approximately 20% of new sales in the U.S. -- that’s 20% of the new product market and growing. Action needs to be taken now to address the rapidly escalating number of new entrant ATVs that do not comply with the ANSI standards or provide U.S. consumers with adequate safety instruction, warnings, and training.

The recently released CPSC Staff Briefing Package contains an initial draft proposal to address this problem by proceeding with rulemaking to establish a mandatory ATV safety standard, based on the ANSI standard. But this draft proposal could take years to finalize. This is a situation that needs to be addressed immediately, both for the safety of American consumers and the good of the ATV industry generally. I urge the Subcommittee to consider taking immediate legislative action to elevate all companies selling ATVs in the United

States to these standards and practices demonstrated by SVIA member companies.

The SVIA continues to extend a welcome to all new entrants into the ATV market in the United States to participate in its programs – key elements of which are aimed at deterring the use of adult-sized ATVs by children under age 16 – generally by marketing ANSI-compliant products and providing appropriate safety information and training opportunities to consumers, comparable to those provided under the Action Plans.

Although certain new entrants have accepted the invitation, most have not.

ATV rider safety is the top priority of the SVIA companies and their dealers. In addition to the new entrant issue I addressed previously, the SVIA believes the most effective way to reduce ATV-related injuries is through a three-pronged approach that includes: enforceable state legislation, rider training and education, and parental supervision and responsibility.

State legislatures have an important role to play. Because the states have the authority to regulate – directly -- the use of ATVs, SVIA supports state legislation that prohibits the use of adult-sized ATVs by children under 16, carrying passengers on ATVs designed for one rider, operating without an approved helmet and eye protection, and operation on public roads.

The second part of this approach is rider training and education, which I briefly described previously.

The third component of our approach is parental or adult supervision – and I'll add responsibility – for all riders under the age of 16. Parents literally hold the key to a child's safety. Every ATV has an ignition key, and the person who controls the key, controls the use.

Parental supervision is not only a key element for a child's safety, it is imperative. Children under the age of 16 must be supervised at all times when riding a youth-sized ATV.

SVIA formed the ATV Safety Institute (ASI) division in 1988 to implement an expanded national program of ATV safety and awareness that SVIA initiated in 1983.

ASI's primary goal is to foster and promote the safe and responsible use of all-terrain vehicles in the United States, thereby reducing crashes and injuries that may result from improper use. ASI's programs are designed to inspire rider awareness that promotes a commitment to safety and respect for the environment.

ASI is the recognized leader in ATV safety. We improve the safety of riders through the delivery of hands-on training and the publication of educational materials for the ATV community.

More and more Americans are choosing to operate ATVs. Besides recreational use, ATVs are also used in agriculture, a wide variety of industries, and the Armed Forces and municipalities.

Along with increased use there has been an increase in ATV related injuries and fatalities. Sadly, most of these incidents could have been prevented. Consumer Product Safety Commission (CPSC) data show that 92% of ATV

related fatalities involved at least one or more warned against behavior on the part of the rider.

To improve rider safety and communicate responsible use messages, ASI offers the ATV RiderCourseSM nationwide.

The ASI RiderCourse is free for purchasers of new ATVs and it is available to others for a reasonable fee. This includes purchasers of used ATVs, purchasers of non-member products, and prospective riders. The enrollment and training process is the same except that the ATV rider initiates contact with ASI. This is easily accomplished through the ASI Web site, or toll-free telephone number. The cost for training is 125 dollars for adults and 75 dollars for riders under age 16. Approximately 25 percent the annual training is completed by paying students.

Once training is completed, purchasers of new SVIA member company ATVs are eligible for an incentive, typically \$100 cash or equivalent merchandise certificate. And through the “Try Before You Buy” program, paid students get all their training fees plus offered incentives if they take paid training and then buy a new ATV from an SVIA member company.

A major component of the ATV RiderCourse is what we call The Golden Rules. These rules are reinforced beginning at the dealer, throughout the training experience, and extended through educational materials. In summary The Golden Rules are:

- Take an approved training course.
- Ride an ATV that’s right for your age.
- Supervise kids under 16.
- Wear the right safety gear, especially a helmet.
- Rider only, no passengers on single rider ATVs.
- Ride only on designated trails and always ride responsibly.

The class is conducted completely outdoors and has a maximum size of eight students for one instructor. The main themes in the ATV RiderCourse are safety and responsible use.

Students practice basic safety techniques with hands-on exercises covering starting and stopping, turning – both gradual and quick – negotiating hills, emergency stopping and swerving, and riding over obstacles. Particular emphasis is placed on the safety implications relating to each lesson.

The course also covers protective gear, environmental responsibility and state and local laws. Participants receive an ATV RiderCourse Handbook, which reinforces the safety information and riding techniques covered during the ATV RiderCourse. Students keep the handbook as a reference as they continue to practice the skills taught in the ATV RiderCourse.

Individuals six years of age and older may take the class once a parent or guardian has determined that the youngster is appropriate to ride youth-sized ATVs. We help parents make the decision as to whether ATVing is appropriate for their child through the use of a publication called “Parents, Youngsters and All-Terrain Vehicles.”

This booklet includes a readiness checklist that covers visual perception/motor skills development, physical development, social/emotional development, and reasoning and decision-making ability. Only after the parent has determined that ATV riding is the right activity for their child, we will train the child with participation from the parent.

In youth classes instruction is targeted as much at the parent as it is to the child. Riders younger than 16 are restricted to ATVs of the appropriate size recommended for the rider's age. There are special teaching provisions for students younger than 16, and parents are encouraged to attend as well. Students younger than 12 participate in separate classes, and a parent must be present during the entire course.

The ATV RiderCourse is only conducted by licensed ATV Safety Institute Instructors. Each licensed Instructor completes a four-day Instructor preparation program and must successfully complete a skills assessment, knowledge test and student teaching experience. SVIA offers its licensed Instructors ongoing professional development as a means to continually enhance the delivery of instruction.

As delivery of the ATV RiderCourse has been enhanced, so too has the administration of the program. As computer and telephony technology improved, ASI began development of a centralized enrollment system in an effort to provide more timely enrollment and training to purchasers. The latest innovation to improve access to training is on-line enrollment through the ASI website. This system allows students to enroll 24 hours per day, 7 days a week. We are experiencing increased use of this process and expect that its use will continue to grow.

Today, ATV Training is accomplished through a national network of:

- Over 900 Active Training Sites
- Over 2500 Active ASI licensed Instructors
- And 53 Active ASI licensed Chief Instructors

Over 45,000 ATV RiderCourse students have been trained each year since 2002. Total students trained since 1989 in the ATV RiderCourse is 661,729.

CPSC data show that first-time purchasers without prior riding experience benefit most from ATV training.

Whether a new rider or an experienced one, the feedback ASI receives from ATV RiderCourse participants is overwhelmingly positive. Our goal is to encourage all riders, especially inexperienced riders, to complete training. We accomplish this through continual program improvement and expanded access.

ASI is committed to increasing public awareness of ATV safety programs. ASI has developed a nationwide public awareness campaign to promote the safe and responsible use of ATVs. Activities include a collection of 21 public service announcements for print and web applications addressing the "Golden Rules."

In addition to PSAs, SVIA makes available publications and videos that communicate key safety messages and are useful tools for riders and parents. These include the

[Tips and Practice Guide for All-Terrain Vehicle Riders](#)–

The Parents, Youngsters and All-Terrain Vehicles Booklet – And the Ride Safe, Ride Smart Video. Through Video Placement Worldwide, an international service company specializing in placing sponsored educational materials in our nation's classrooms; we have distributed 3,500 copies of this video, which has been viewed by over 2.8 million people.

In addition to printed material, SVIA uses electronic media as well, including a toll-free ATV Hotline, an “ATV Rally” interactive CD-ROM that was distributed to 1.7 million children, and a School ATV Safety and Awareness Campaign. In this campaign an e-mail to principals across the country asking them to impress upon their students and their parents the importance of all-terrain vehicle safety. A letter accompanied the e-mail to parents and guardians, as well as a flyer “What is an ATV?”. We received numerous positive responses, and facilitated requests to translate the letter to parents and guardians into Spanish, and to provide a complete supply of the letter and the flyer for all of their students to take home. The e-mail was sent to over 40,000 principals across the country and has a potential outreach to 5.8 million teachers, parents and students.

The www.ATVSafety.org website provides visitors with information about the ATV RiderCourse, Enrollment Express, safety tips, and publications for parents.

Another opportunity for improved safety that SVIA supports is managed recreation opportunities. An example is the Hatfield-McCoy Trail system in West Virginia. This system is managed for family recreation utilizing a well designed and maintained trail system with enforced rules for riding. This area provides an excellent experience for users, keeps riders out of inappropriate areas and has an excellent safety record.

And finally, ASI participates in both enthusiast and non-enthusiast events to promote the safe and responsible use of ATVs. In 2005 we participated in over 60 events in 26 states.

No other industry has undertaken an initiative as comprehensive and far-reaching as the members of the SVIA. SVIA believes it is crucial that all new entrants to the U.S. ATV market, including non-SVIA members, offer appropriate safety information and programs.

Safety messages are also prominently displayed via on-product labels, hangtags, safety videos and in ATV safety alerts provided to prospective purchasers. In addition, ATV dealers are prohibited from selling adult-sized ATVs for use by children under 16.

The SVIA companies share the Subcommittee’s strong interest in compliance with ATV safety standards. We urge this committee to give top priority to fixing the new ATV entrant problem through federal legislation. The SVIA and its member companies will continue to do their part by promoting rider training and education, state legislation regulating ATV use, and active parental supervision. These steps are the keys to improving ATV safety for children and adults.

Thank you.