



A Strategic Approach to Catalytic Converter Marking for Today (and for Tomorrow)

Catalytic converter theft reduction for new vehicles would be best achieved if there was universal marking of all catalytic converters by the OEMs under an expansion of the Federal Parts Marking Act. There presently are efforts underway to update the current list of 18 parts covered under the Act to have catalytic converters added to the mandatory parts list. If the legislation passes, it will then would still require another 2-3 years for the production elements to be put into place before newly manufactured vehicles will be sold with pre-marked converters. While this would add important protections for new vehicles manufactured from that point going forward, a separate strategy is needed to help accelerate the anti-theft marking of the existing population of cars to help reduce the thefts of converters from the existing vehicle population.

For existing vehicles which do not have OEM provided anti-theft labels: Any large-scale effort at marking of existing vehicles has to be practical, cost-effective and widely implemented if it is going to succeed. A number of important considerations need to be factored into crafting such a process. These include:

- 1) The process has to provide a broad-based marking solution that can quickly expand marking to large segments of the vehicle population. The process has to be broadly accessible and must be cost-effective and practical. It is one thing to have small demonstration programs, but to establish a public policy that will broadly protect a large percentage of the vehicle population over a several years requires legislation and a pathway for large scale compliance involving significant mandated industry support.
- 2) The scope of the target catalytic converter population needing the marking solution must be well focused. It is important to recognize that there are multiple catalytic converters on most vehicles, and only some of those converters are both accessible to a thief or are otherwise of interest as a theft target. Limiting the scope of the marking effort to the vulnerable catalytic converter population will greatly minimize the overall effort and is extremely important to allowing for overall success of the effort¹.
- 3) Only some converters have significant PGM values while others are of very limited theft value due to a low PGM metals content. Thieves understand the marketplace value of the converters that they steal

¹ In a typical vehicle application there exists a combination of one or more manifold converters attached directly to the engine, and one or more stages of additional converters. Most of these converters cannot be accessed without removing other parts from the vehicle in order to access those converters. As such, these converters are not theft targets because they are basically unreachable by a thief. Additionally, for anti-theft purposes these parts cannot be marked without a significant cost associated with first removing other parts to access those catalytic converters, then reinstalling the removed parts. The cost to mark these obstructed converters will be cost and time prohibitive and also will not provide any anti-theft benefits to the public. As an example, virtually no manifold catalytic converters are at high risk for theft and all would be very costly and difficult to mark without significant expense. Other converters are blocked by suspension parts or will be converters with a low theft risk low and the high cost to label and reinstall and return the vehicle to full operation. Additionally, some vehicles have a high road clearance, and other vehicles are more difficult to access and have a lesser theft risk even if they do not have other parts blocking access to the converters.

The National Salvage Vehicle Reporting Program (NSVRP) is a not-for-profit 501 (C) (3). The organization was founded to support law enforcement and to promote and support efforts to advance the National Motor Vehicle Title Information System (NMVTIS). NSVRP's mission is to support initiatives to control auto-theft and title abuse. NSVRP's Board of Directors consists of representatives of major law enforcement groups. The US Department of Justice has applauded NSVRP for developing reporting standards for NMVTIS reporting and has strongly encouraged the operator to adopt these standards as suggested voluntary compliance standards. NSVRP has been recognized both by the Department of Justice and the FBI for 'Exceptional Service in the Public Interest' for its public policy efforts.

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because they will concentrate on converters for which they receive the most payment and avoid those for which they get paid little for.

- 4) The process for applying or etching labels onto a converter involves a number of costs for the installation. There is the cost of the special labels and the costs associated with maintaining the database services for the registry and the access to the law enforcement community. There are time, labor and facilities costs that are significant and which exceed the costs of the labels themselves². These costs are covered by a purchase price associated with the labels. This cost must be factored into the operating cost of any highly effective anti-theft marking initiative.

NSVRP believes that a combination of both a mandatory labeling requirement for commercially sold vehicles as the primary component of a broad-based policy, along with a grant-based public service anti-theft labeling programs for private individuals wishing to protect their own vehicles would provide the best and most rapid outcome for the public.

Any public policy intending to rapidly improve protection for a significant fraction of the vehicle population from catalytic converter theft should require that all commercially sold vehicles must either have pre-installed anti-theft catalytic converter labels affixed to the subject converters or have OEM pre-etched serial numbers engraved at the point of manufacture. This will provide an immediate protection to all new and used commercial sold vehicles going forward³. Other programs should be run in parallel with this to work to back-fill the existing population of vehicles currently in the hands of private vehicle owners.

As noted, there are significant costs involved for the commercial entities that would be required to do this labeling. Also, for these labeling programs to be effective they must employ special anti-theft pre-registered labels linked to a law enforcement accessible database if the labels are to serve the desired purpose. Such labels and programs exist, and these should be mandated as part of these obligatory pre-sale labeling efforts. *We recommend that there be some type of governmentally mandated fee added to the sale a vehicle to be paid by the buyer of the vehicle as part of the sales process.* That fee will serve as a reimbursement to the seller for the costs associated with the labeling process.

The grant-based programs will be for providing a public service solution to existing private vehicle owners who wish to protect a vehicle that they already own. Many such programs are presently in operation and are funded by public grants. This form of public service support could be expanded further.

² The installation of the labels on a vehicle at scale is a non-trivial process. There are scheduling and other logistical concerns that are involved. There are technician labor and facilities costs if these are done in a shop or on a lift. It should also be understood that whenever a vehicle is operated, the catalytic converter heats up very quickly, and as a result, there is the need to have time to let a vehicle to cool off once the vehicle is moved or placed on a lift for labeling. This results in some significant resource requirements making the labeling process take more time and have more costs than one might otherwise anticipate. These costs need be covered for any program to be operated at scale and to be realistic and effective.

³ This legislative process can be initiated at both the state and federal level. Even if only some jurisdictions ratify this kind of legislation, the benefits to the public will be significant and immediate. Since there are more than 40 million commercially managed used car sales per year, that volume when coupled with new car sales will result in more than 50 million vehicles a year with pre-marked catalytic converter anti-theft protections. After 2-3 years the impact of that volume of pre-marked converters entering the vehicle population will help discourage the catalytic converter theft activity overall.