

Report to NASTF Board of Directors—Fall Meeting, 2010

NASTF Vehicle Security Committee

Status of Automaker Participation: Dan Selke of Mercedes Benz USA reported that they are building out a system to leverage SDRM for sales of Theft Relevant Parts to aftermarket service providers. A pilot group will be established through the VSC to help MBUSA pilot test their new ordering system. Beginning in November, MBUSA plans to begin pilot testing their system with a limited group of pilot users who will have access to shift lock parts ordering (one of several high volume TRPs) expanding to all Registered LSID holders in December. During Q1 2011, pending successful pilot of the system, MBUSA will begin phasing in additional TRPs.

VSC Policy Changes - Locksmith/Technician Licensing: Following up on this issue brought up during our Spring meeting, the VSC PWG convened to discuss challenges that locksmith license requirements pose to auto repair technicians who want to join the Registry. Because locksmith licenses often require the applicant to demonstrate technical competencies in areas like commercial security systems, safes and other non-automotive related areas, the PWG was compelled to modify licensing requirements for Registry qualification. Moving forward, businesses that advertise themselves as “locksmiths” will still be required to have locksmith licenses in jurisdictions that require licensing. Auto repair businesses will no longer be required to be licensed as locksmiths, however, will be required to have auto repair licenses where jurisdictions require them.

The PWG is also working on harmonization of the Security Information Request process with the Service Information Request and dispute resolution process already in place. The VSC expects the final version of this new document to be complete and approved by the Board before our Spring meeting.

NICB Report: NICB reported that in the 9 month period ending September 2010, there were more than 1.3 million SDRM transactions. On average, automakers are posting over 4,750 dealer transactions/day and LSID holders are posting about 220 transactions/day. NICB also reports that SDRM postings are beginning to become an important source for theft investigations and prevention.

ALOA Report: David Lowell of ALOA reported continued strong growth of membership in the SDRM Registry. Currently there are 601 primary LSID holders with 146 subaccounts associated with those primary accounts. 160 (or around 26%) of these primary accounts are Auto Repair Facilities as opposed to locksmith companies. With MBUSA’s implementation of SDRM requirements for Theft Relevant Parts purchases, we are likely to see significant growth in non-locksmith applicants in 2011. David also reported continued growth, month over month, in the daily usage SDRM use. Finally, David reported that Find-a-VSP.com is still a work in progress and he hopes to report significant progress on this project at the Spring meeting.

Maximizing Use of SDRM: The utility of the SDRM is allowing the system to be expanded into new areas. MBUSA is using it as a screening mechanism for ordering parts that could be used in commission of auto theft and other automakers are using SDRM in increasing numbers to post enterprise transactions (i.e. dealers and corporate users). The VSC announced formation of a new subcommittee at our meeting this morning. Comprised of automakers and NICB, this new working group will be responsible to establish theft investigation protocol between automakers and NICB, study ways to better use SDRM data to alert insurance and auto theft task forces. This working group will also seek to expand the number of automakers leveraging transaction logging for dealers and seek methods to curtail activities of code broker services.

Respectfully Submitted! Mark Saxonberg and Claude Hensley, VSC Co-Chairs

FALL 2010 VSC ATTENDANCE LOG

NAME	REPRESENTING	E-MAIL	PHONE
Mark Saxonberg	Co-Chair Toyota Motor Sales	mark_saxonberg@toyota.com	310-468-3377
Claude Hensley	Co-Chair Lock-Man Locksmiths, FL	llocksm1@tampabay.rr.com	727-409-2606
David Lowell	ALOA	david@aloe.org	214-819-9773 X213
Tom Trisdale	Toyota Motor Sales	tom-trisdale@toyota-com	310-468-3316
Jim O'Neil	Chino AutoTech	jim@chinoautotech.com	909-645-3838
Dennis Montalbano	German Auto Repair	dbenzdr@aol.com	559-438-6508
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David Rich	Innova Electronics	davidr@equus.com	714-241-6807
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Gary Goms	Parts & People	goms@chaffee.net	719-539-8038
John Norris	HARA/NATA CAN.	johnnorris@ciia.com	866-309-4272
Dale Finch	NATA CAN.	dalefinch@ara.bc.ca	604-312-9830
Rob Lang	NATA CAN.	rmworks@shaw.ca	604-657-7407

PHONE ATTENDEES:

Robert Ayers	ASA-CA
John Bruggeman	CLA
Jim Parrie	Old Capital Locksmith
Justin McNall	AAA
Jim VonEhr	Nissan
Dan Selke	MBUSA
Jim Garrido	Mobile Diagnostics



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LSID Application Status

There have been 605 Companies who applied for the SDRM LSID Registry from January 2008 through September 30, 2010. There is a total of 601 who have been accepted and enrolled

- 4 were rejected or not completed for the following reasons:
 - Two asked for a refund because they didn't understand the program
 - Two had a felony listed on their background check and were denied
 - One of the above is appealing their denial
- One company has been suspended pending resolution of failure to provide backup documentation for transactions
- As of September 30, 2010 there are a total of 760 LSID account holders
 - There are 13 Manufacturer account holders
 - There are 601 Primary account holders and increase of 161 so far this year
 - There are 146 Subordinate account holders an increase of 20 so far this year
- Of the total Primary account holders:
 - 160 are Automotive Aftermarket Service companies and increase of 62 so far this year
 - 441 are Locksmith Companies and increase of 111 so far this year
 - Of these 255 are ALOA members



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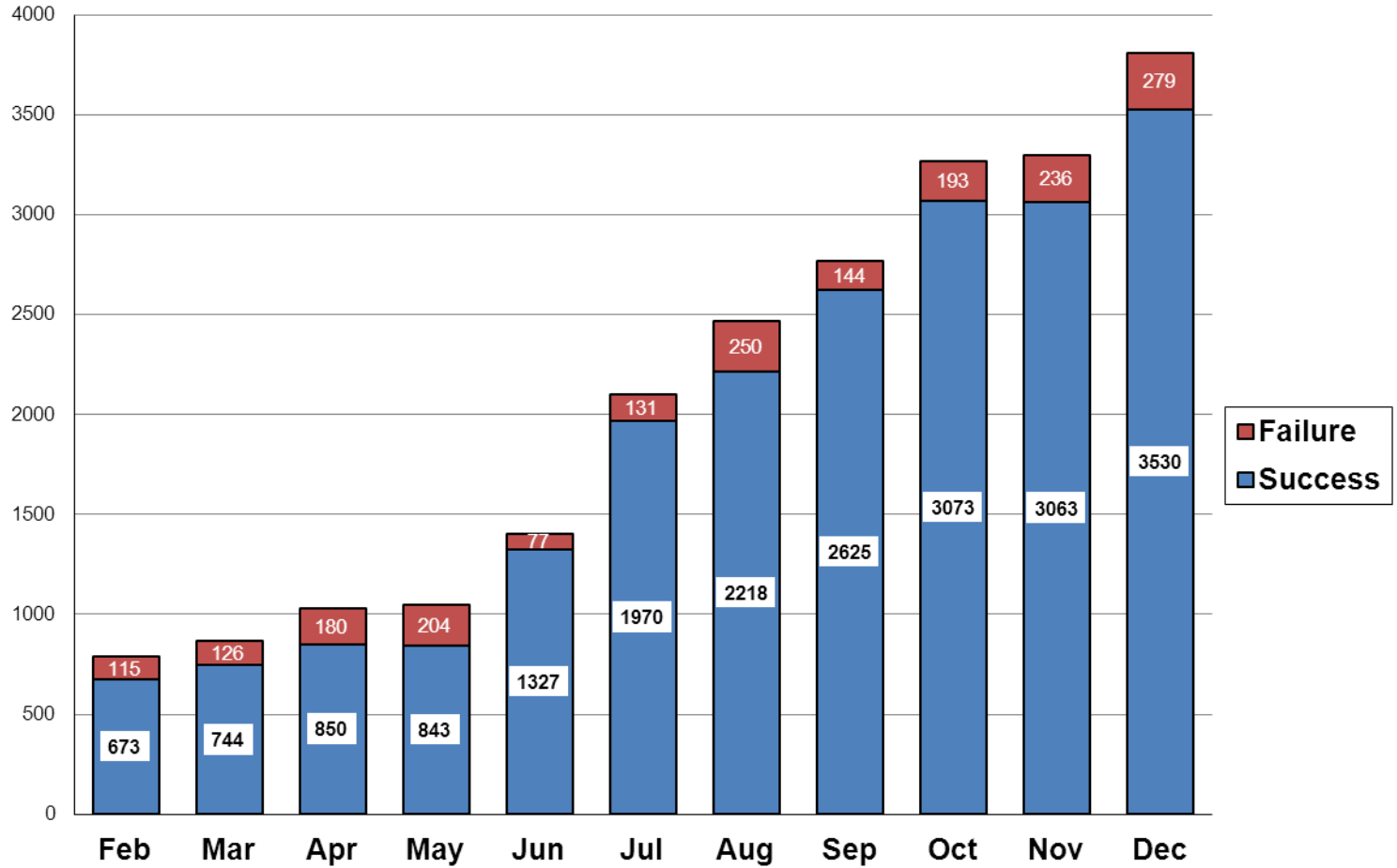
NASTF Primary & Sub-accounts by State

As of 9/30/2010

State	Primary	Sub	State	Primary	Sub	State	Primary	Sub	State	Primary	Sub
Alabama	5	3	Illinois	21	5	Montana	2	0	Puerto Rico	0	0
Alaska	0	0	Indiana	11	0	Nebraska	4	0	Rhode Island	1	0
Arizona	11	2	Iowa	3	0	Nevada	7	1	South Carolina	14	3
Arkansas	2	0	Kansas	3	0	New Hampshire	6	2	South Dakota	1	1
California	139	24	Kentucky	8	0	New Jersey	24	6	Tennessee	22	2
Colorado	13	6	Louisiana	16	11	New Mexico	8	0	Texas	55	13
Connecticut	9	0	Maine	5	1	New York	49	4	Utah	6	1
Delaware	0	0	Marshall Islands	0	0	North Carolina	22	3	Vermont	4	0
District of Columbia	1	0	Maryland	9	0	North Dakota	0	0	Virginia	18	6
Florida	74	27	Massachusetts	18	1	Ohio	11	0	Washington	12	2
Georgia	15	1	Michigan	15	2	Oklahoma	8	1	West Virginia	1	0
Guam	0	0	Minnesota	10	0	Oregon	10	2	Wisconsin	11	1
Hawaii	1	0	Mississippi	3	0	Palau	0	0	Wyoming	0	0
Idaho	3	0	Missouri	8	3	Pennsylvania	17	3			



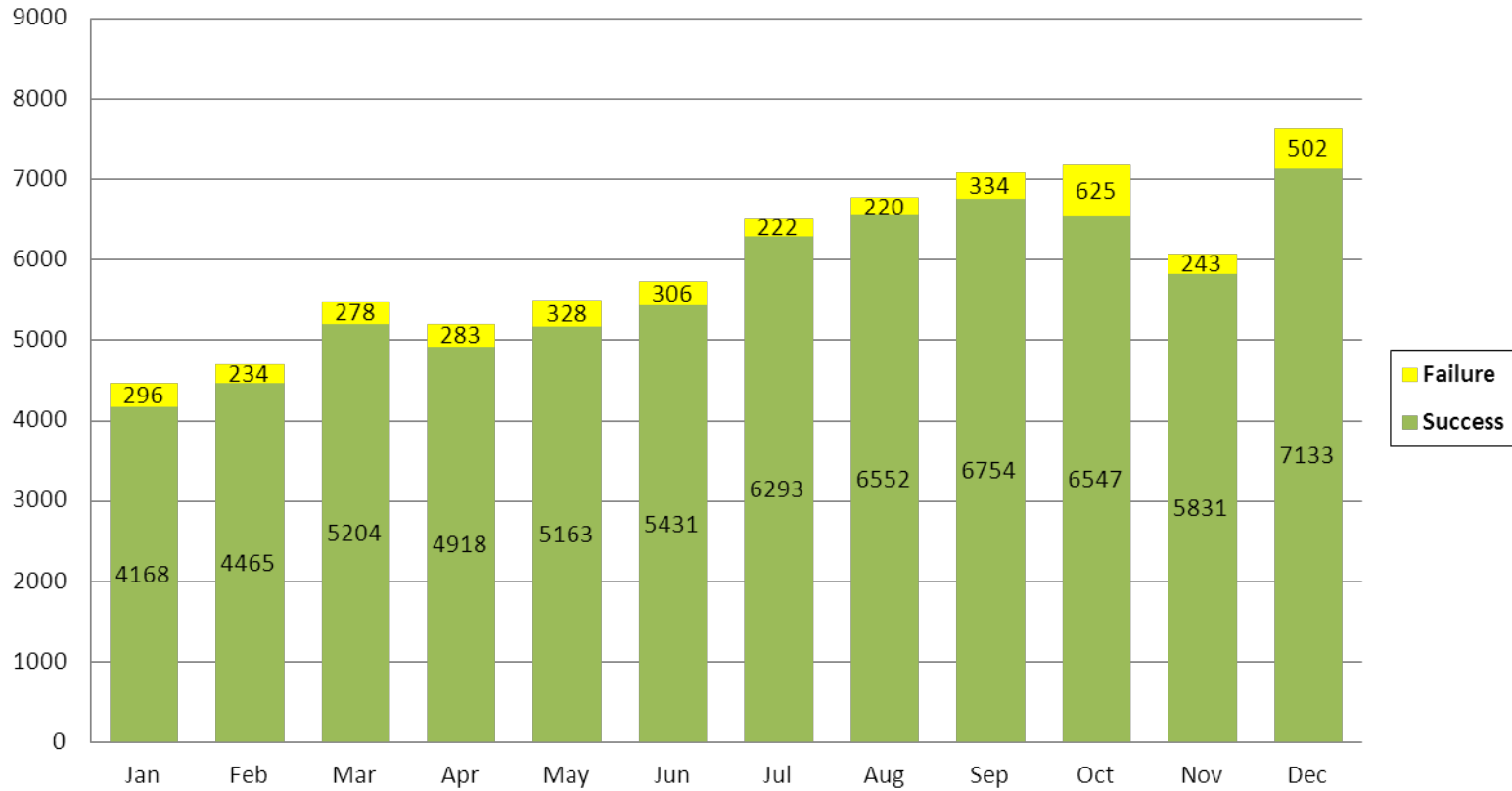
2008 Transactions





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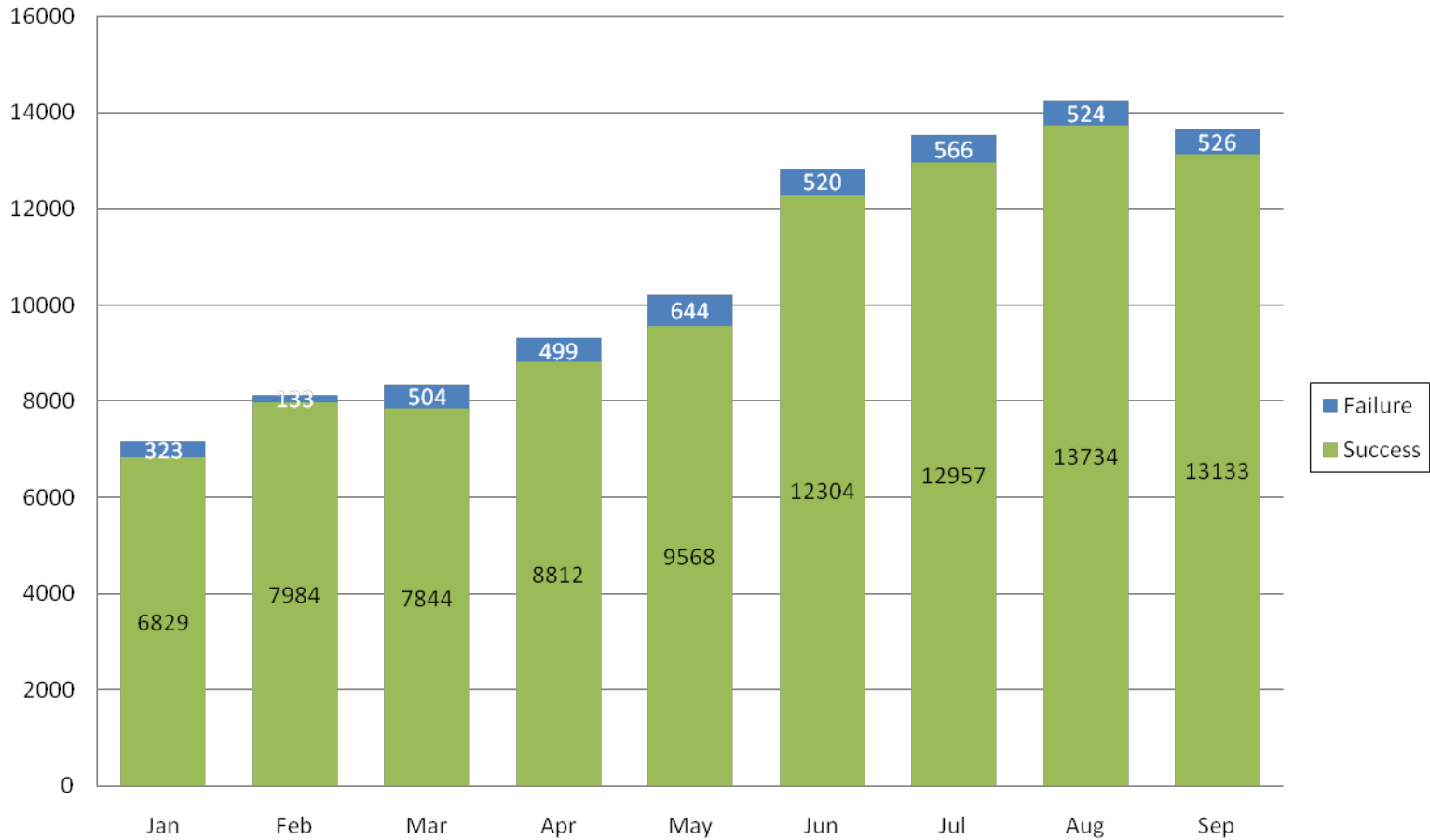
2009 Transactions





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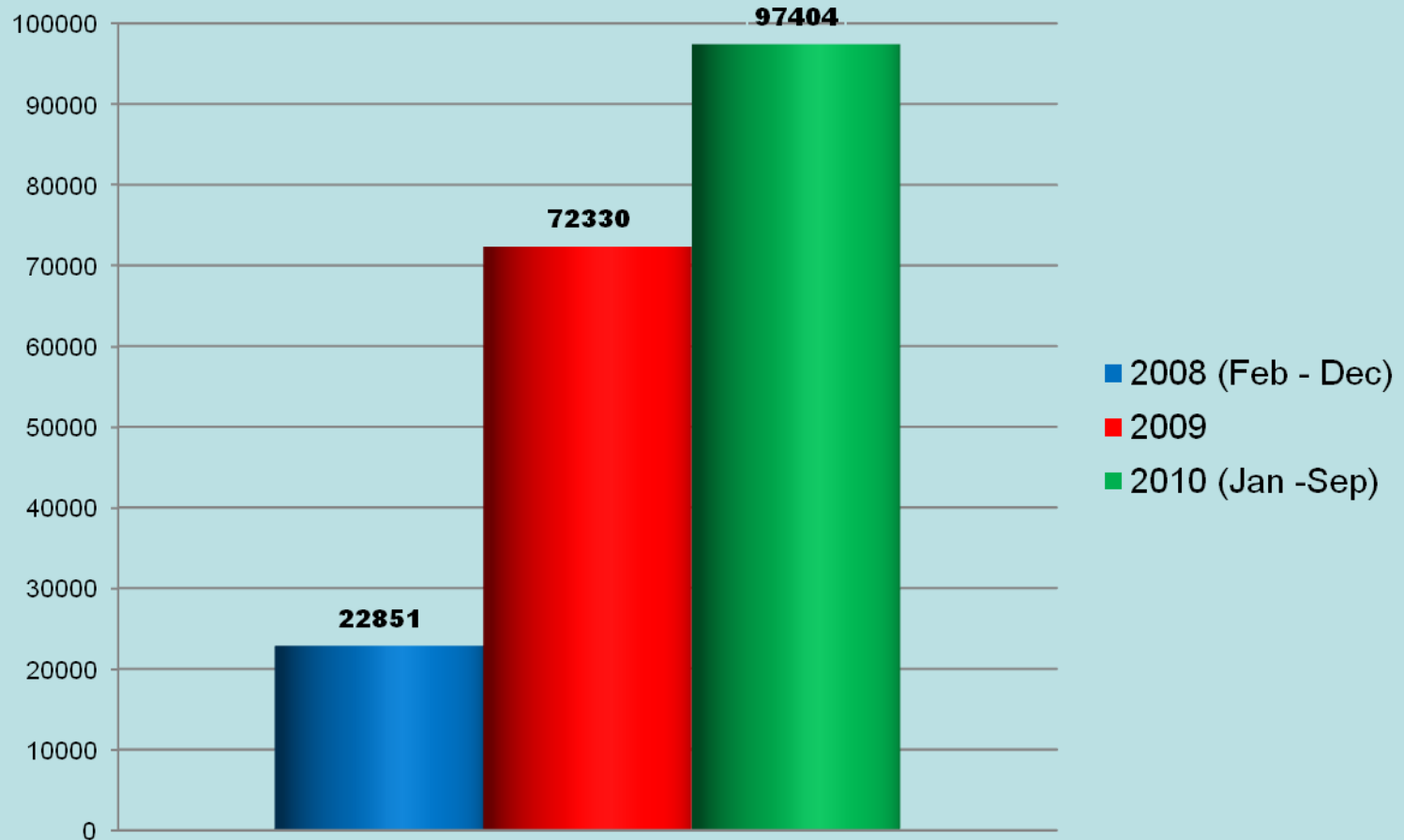
2010 Transactions





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Total Transactions by Year

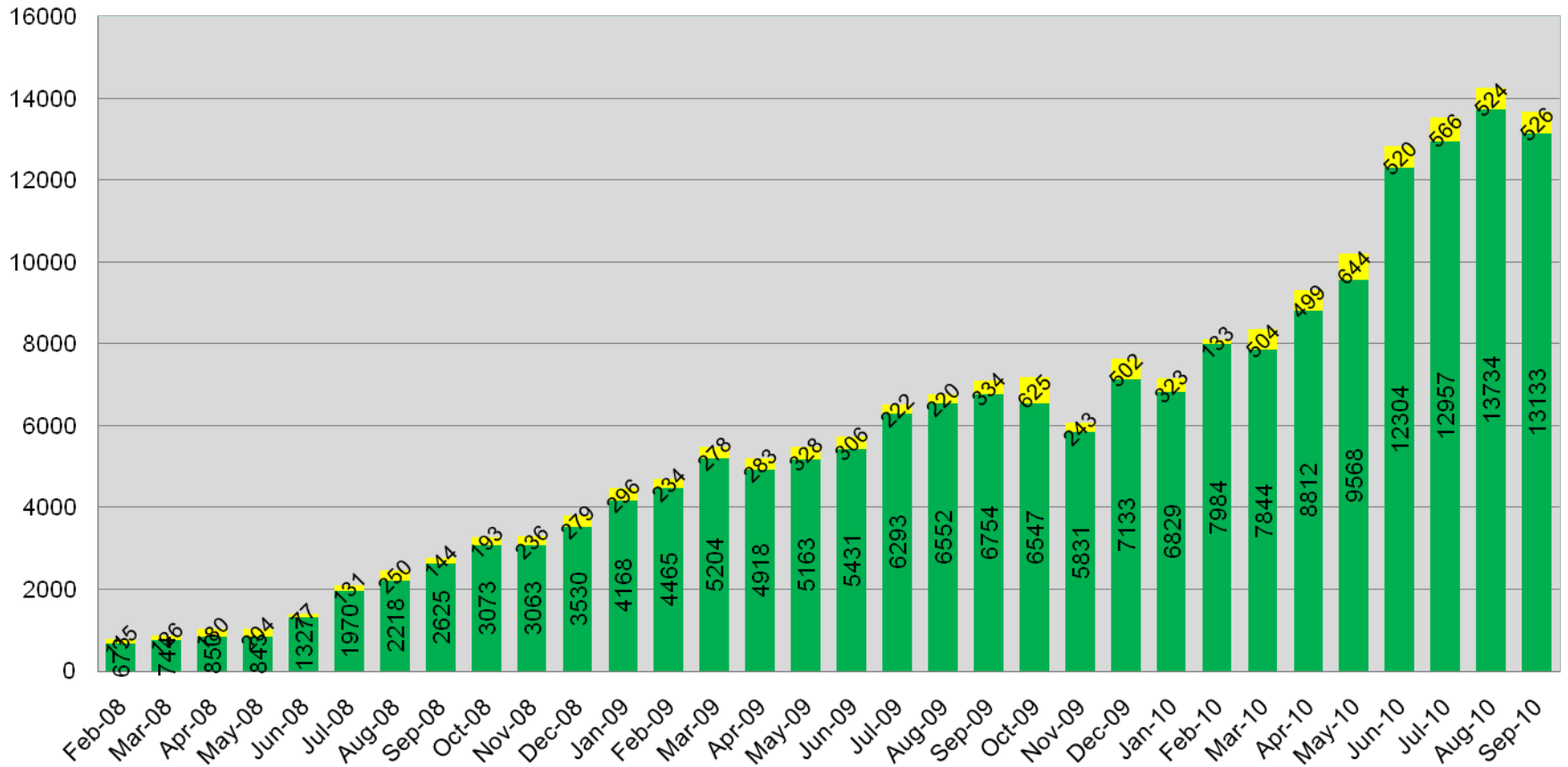




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Transactions from implementation

■ Failure ■ Success





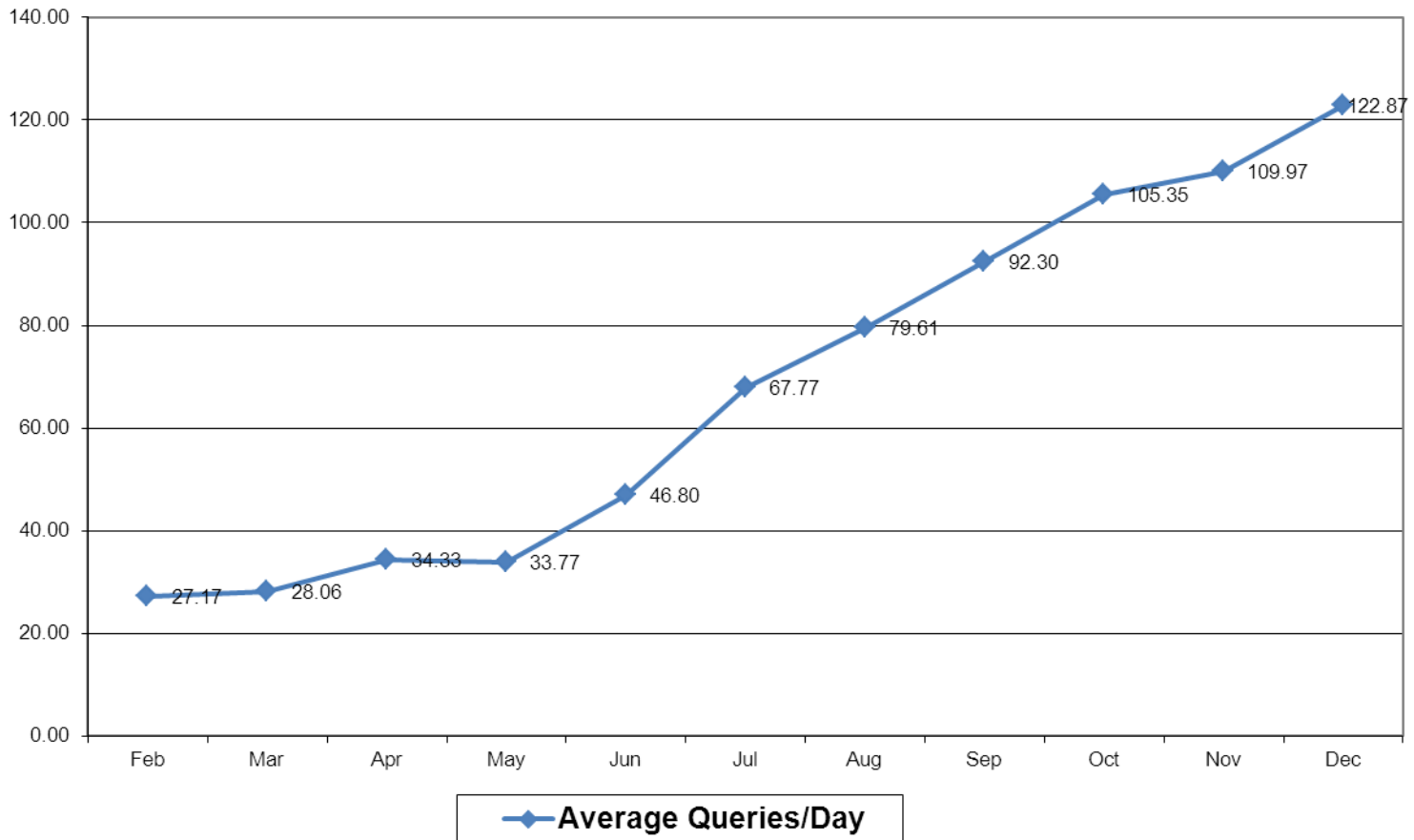
NASTF SDRM Query Data

On the spreadsheet and chart there is a breakdown by month of the total number of queries. There are a minimal number (usually under 5%) of unsuccessful queries each month, however we have noticed with the addition of more subordinates, there has been an increase in this percentage.

- *The most common reason for an unsuccessful query is the user forgot his login or his password*
- *The next most common reason for an unsuccessful query is that many of the manufacturers suspend the login at their site due to inactivity. GM for instance requires at least one transaction every 30 days or the login is suspended.*
- *The remainder of issues relate to problems experienced after they have logged into the Registry and are trying to access the various manufacturers sites..*



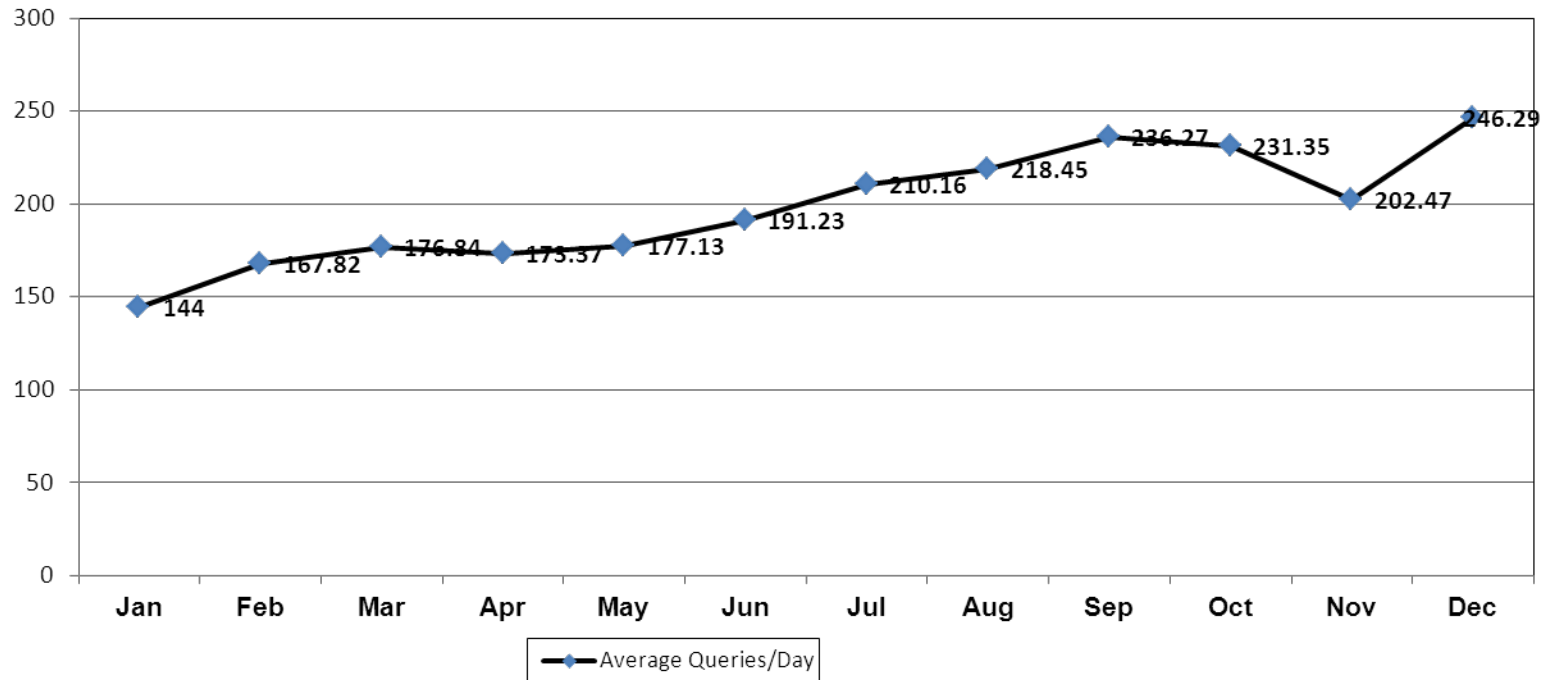
2008 Average queries per day





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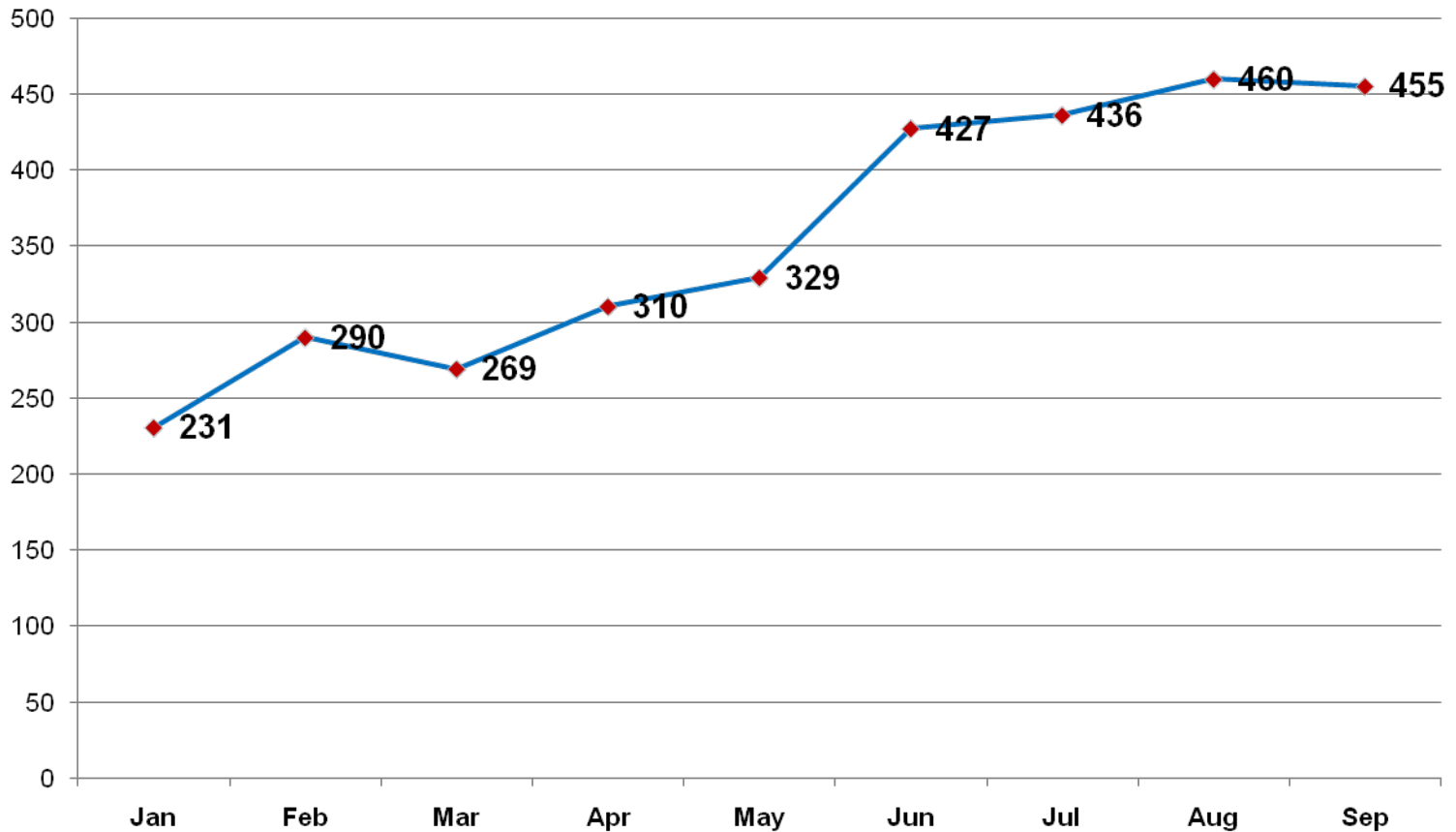
2009 Average queries per day





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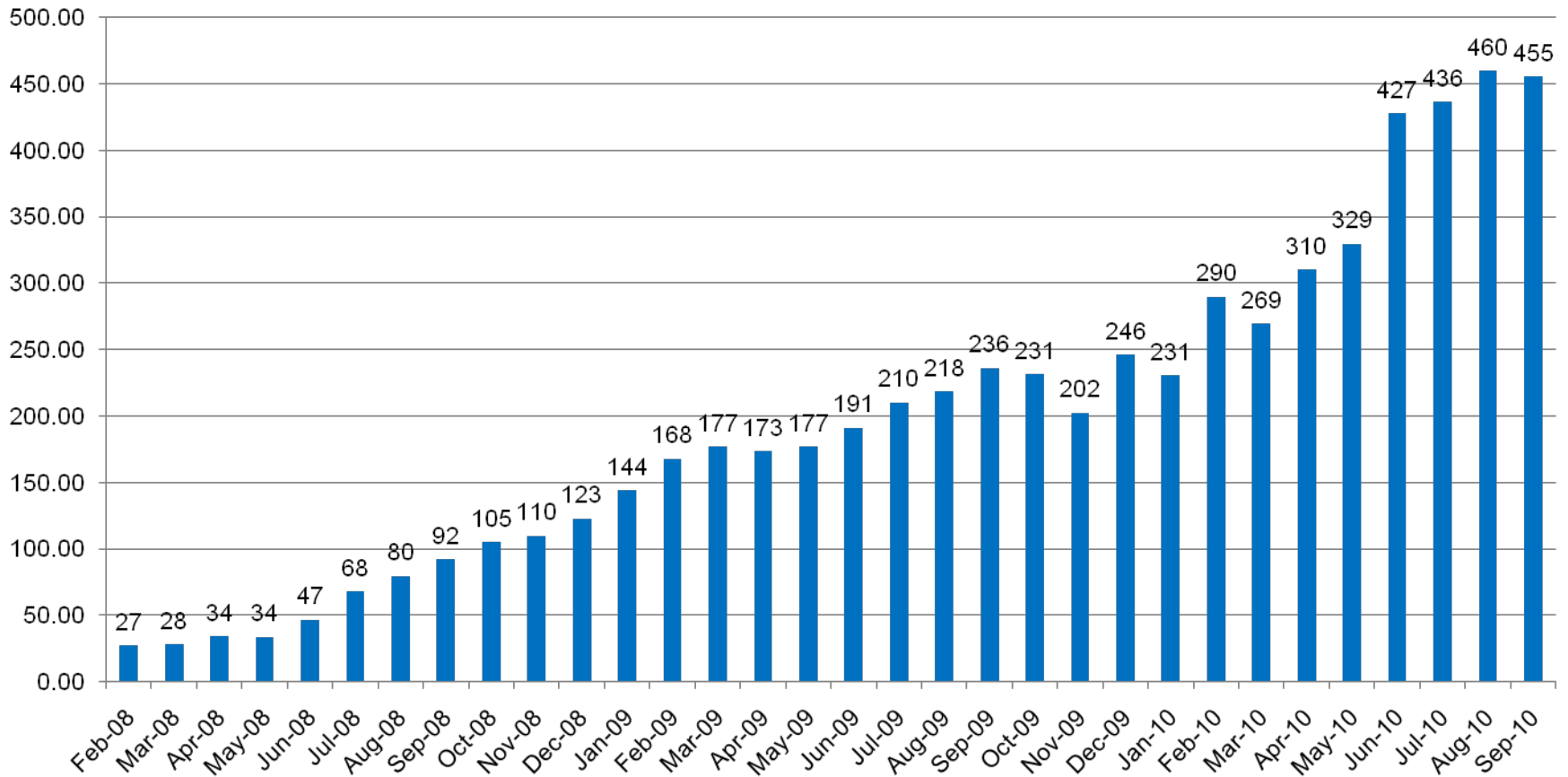
2010 Average Queries/Day





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Average Queries/Day from implementation to 9/30/2010





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We have **230** primary accounts and **118** sub accounts up for renewal in 2010

Month	Primary	Sub	Month	Primary	Sub
January	19	13	July	17	12
February	23	7	August	19	10
March	24	10	September	19	8
April	18	16	October	21	16
May	11	6	November	17	4
June	22	6	December	20	8



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We have 153 Companies up for renewal through 9/30/2010

91 or (60%) of the 153 Companies up for renewal as of 9/30/2010 have renewed.

Those who are up for renewal for the month of September are given a 30 day grace period.

Often, renewals come in from previous months due to the account needing to login and finding that the account is locked out due to non payment of renewal and submission of documentation. Generally the paperwork is on their desk and they haven't gotten around to submitting it until they need to access the SDRM.