

PETERSON

CAT

Peterson Cat
5450 NE Five Oaks Drive
Hillsboro, OR 97124
petersoncat.com

February 5, 2019

Representative Rob Nosse
900 Court St. NE, H-472
Salem, Oregon 97301

Dear Representative Nosse:

Peterson Cat, the Caterpillar Inc. dealer serving Oregon for over 60 years, appreciates the opportunity to comment on HB 2688 relating to a right to repair digital electronic equipment.

Peterson Cat serves hundreds of customers in Oregon spanning a wide variety of construction, agricultural, logging, paving, and power generation applications. We currently employ 717 people at ten locations in Oregon.

Modern engines, vehicles, and equipment all contain microprocessors. As drafted, HB 2688's broad requirements would apply to virtually all off-highway engines, construction and farm equipment, locomotives, marine vessels, and stationary generators manufactured by Caterpillar and sold by Peterson Cat in Oregon.

While not questioning the good intent of your proposal, we have several concerns including:

- Large and complex machinery, such as nonroad construction and farm equipment, should not be considered digital electronic equipment subject to HB 2688. "Right to Repair" initiatives like this legislation are rooted in concerns about access to service information for mass-produced consumer electronics. Unlike purchases of those types of products, nonroad and stationary equipment purchases are negotiated, business-to-business transactions. As such, we do not believe that HB 2688 is actually intended - much less suited - to cover such capital goods.
- Nonroad vehicles are manufactured with a complex and diverse supply chain, in which different companies often manufacture the engines, chassis, transmissions, bodies, and other assemblies that comprise the entire vehicle. Nonroad vehicle manufacturers do not control, or necessarily even have access to, service information for those major components. As a result, nonroad vehicle manufacturers cannot provide fully integrated service and repair information, as contemplated by HB 2688.
- The correct use of diagnostic tools and repair information requires highly trained and skilled personnel. Diagnosticians and mechanics must have proper training to maintain and repair sophisticated machinery, like construction and farm equipment. HB 2688 would permit untrained

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and unqualified individuals to service such products, which would undermine equipment integrity, create significant potential safety concerns, and risk adverse impact on federally mandated emission control systems.

- Providing additional parties, such as independent service repair providers and equipment owners, access to electronic diagnostic and service information and tools would create new and unnecessary cybersecurity risks. More parties would be able to access those materials, including through network systems that may be less secure than those of manufacturers and authorized repair providers. More widespread and potentially less secure access would increase opportunities for hackers to improperly obtain - or even tamper with - such information.
- State-specific legislation in this area is unnecessarily complicated and burdensome. HB 2688 would force manufacturers to develop unique systems applicable only to products sold or leased in Oregon. That result would be extraordinarily impractical and inefficient. Because manufacturers would have no way of identifying products that might require service in Oregon, they would have to include service information on all products - a majority of which may never be needed in Oregon.

For all of the above reasons, we join others in our industry in opposing HB 2688. While we oppose HB 2688, we believe that, at a minimum, the Bill should not apply to off-highway and stationary engines and equipment.

If you have any questions, please do not hesitate to contact Jim Halloran - Western Region Manager for Caterpillar Inc. - at 916-580-5467 or email at Halloran_James_P@cat.com.

Sincerely,

A handwritten signature in blue ink that reads "Kevin Culligan". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Kevin M. Culligan
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