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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

Petition for Exemption from the Federal Motor

Vehicle Motor Theft Prevention Standard;

JAGUAR LAND ROVER

AGENCY: National Highway Traffic Safety Administration (NHTSA)

Department of Transportation (DOT).

ACTION: Grant of petition for exemption.

SUMMARY: This document grants in full the petition of Jaguar Land Rover North America LLC's, (Land Rover) for an exemption of the Land Rover LR2 vehicle line in accordance with 49 CFR Part 543, Exemption from the Theft Prevention Standard. This petition is granted, because the agency has determined that the antitheft device to be placed on the line as standard equipment is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Federal Motor Vehicle Theft Prevention Standard, 49 CFR Part 541.

DATES: The exemption granted by this notice is effective beginning with the 2013 model year.

FOR FURTHER INFORMATION CONTACT: Ms. Deborah Mazyck, Office of International Policy, Fuel Economy and Consumer Programs, NHTSA, W43-443, 1200 New Jersey Avenue, S.E., Washington, DC 20590. Ms. Mazyck's phone number is (202) 366-4139. Her fax number is (202) 493-2990.

SUPPLEMENTARY INFORMATION: In a petition dated April 13, 2012, Land Rover requested an exemption from the parts-marking requirements of the theft prevention standard (49 CFR Part 541) for the Land Rover LR2 vehicle line, beginning with Model Year (MY) 2013. The petition requested an exemption from parts-marking pursuant to 49 CFR 543, *Exemption from Vehicle Theft Prevention Standard*, based on the installation of an antitheft device as standard equipment for the entire vehicle line.

Under §543.5(a), a manufacturer may petition NHTSA to grant an exemption for one vehicle line per model year. In its petition, Land Rover provided a detailed description and diagram of the identity, design and location of the components of the antitheft device for the Land Rover LR2 vehicle line. Land Rover will install a passive, transponder-based, electronic engine immobilizer antitheft device as standard equipment on its LR2 vehicle line beginning with MY 2013. Key components of its antitheft device will include a power train control module (PCM), instrument cluster, body control module (BCM), remote frequency receiver, immobilizer antenna unit (IAU), smart key, door control units and a perimeter alarm system. The immobilizer device is automatically armed when the Smart Key is removed from the vehicle. Land Rover stated that the Smart Key is programmed and synchronized to the vehicle through the means of an identification key code and a randomly generated secret code that are unique to each vehicle. Additionally, Land Rover states that the audible and visual perimeter alarm system that will be installed as standard equipment can be armed manually or programmed to arm automatically with the Smart Key. If the hood, luggage compartment or doors are opened during an unauthorized entry attempt, the vehicle siren alarm will sound and the exterior lights will flash. Land Rover's submission is a complete petition as required by 49 CFR Part 543.7, in that

it meets the general requirements contained in 49 CFR Part 543.5 and the specific content requirements of 49 CFR Part 543.6.

Land Rover stated that there are two methods of vehicle operation and engine start: 1) unlocking the vehicle with the Smart Key unlock button and pressing the Start button, and 2) using the emergency key blade. Land Rover further stated that, when the Start button is pressed, a search begins in order to find and authenticate the Smart Key within the vehicle interior. A coded exchange between the BCM and Smart Key is entered through the IAU. If the exchange is successful, the BCM will pass the valid key status to the Instrument Cluster. With the ignition on, the BCM is forced to communicate with the instrument Cluster. The BCM sends the “key valid” message to the PCM which initiates a coded data transfer. If successful, the engine is authorized to start. If the Smart Key has a discharged battery or is damaged, the emergency key blade can be used to unlock the door. Pressing the ignition start button initiates a search to find and authenticate the Smart Key within the vehicle interior. If authentication is unsuccessful, the Smart Key must be docked in the lower steering column cowl. Once the correct key is placed in the correct position, and the ignition start button is pressed again, a coded exchange is entered via the IAU. If the exchange is successful, the BCM will pass the valid key status to the instrument cluster. The BCM then sends a message to the PCM initiating a coded data transfer and successful engine start.

In addressing the specific content requirements of 543.6, Land Rover provided information on the reliability and durability of its proposed device. To ensure reliability and durability of the device, Land Rover conducted tests based on its own specified standards. Land Rover provided a detailed list of the tests conducted (i.e., temperature and humidity cycling, high

and low temperature cycling, mechanical shock, random vibration, thermal stress/shock tests, material resistance tests, dry heat, dust and fluid ingress tests). Land Rover stated that it believes that its device is reliable and durable because it complied with specified requirements for each test. Additionally, Land Rover stated that the vehicle's key recognition sequence includes in excess of a billion code combinations with encrypted data that is secure against duplication. The coded data transfer between modules also uses a unique, secure identifier, random number and a secure public algorithm. Furthermore, Land Rover stated that there is no means to bypass the key locking system of the vehicle with force because the vehicle does not have a conventional mechanical key barrel since the LR2 is equipped with a push button vehicle ignition.

Land Rover informed the agency that its LR2 vehicle line was first equipped with an engine immobilizer device beginning with its MY 2008 vehicles and, as a result, there are no data available to compare the LR2 with an immobilizer device to an LR2 without an immobilizer device. Land Rover stated that based on MY 2008 and 2009 theft data information published by NHTSA, Land Rover LR2 vehicles equipped with immobilizers had a theft rate that was below the median. The average theft rates using 2 MYs' data are 0.7504 and 0.2904 respectively. Therefore, Land Rover has concluded that the antitheft device proposed for its vehicle line is no less effective than those devices in the lines for which NHTSA has already granted full exemption from the parts-marking requirements. Land Rover also stated that the immobilizer in the Land Rover LR2 line is no less effective than similar devices NHTSA has already granted full exemptions (i.e., Range Rover Evoque and Jaguar XK and XJ). Additionally, Land Rover notes a Highway Loss Data Institute news release (July 19, 2000) showing approximately a 50% reduction in theft for vehicles installed with an immobilizer device.

Based on the supporting evidence submitted by Land Rover on the device, the agency believes that the antitheft device for the LR2 vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541). The agency concludes that the device will provide the five types of performance listed in §543.6(a)(3): promoting activation, attracting attention to the efforts of an unauthorized person to enter or move a vehicle by means other than a key, preventing defeat or circumvention of the device by unauthorized persons, preventing operation of the vehicle by unauthorized entrants and ensuring the reliability and durability of the device.

Pursuant to 49 U.S.C. 33106 and 49 CFR 543.7 (b), the agency grants a petition for exemption from the parts-marking requirements of Part 541 either in whole or in part, if it determines that, based upon substantial evidence, the standard equipment antitheft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of Part 541. The agency finds that Land Rover has provided adequate reasons for its belief that the antitheft device for the Land Rover LR2 vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541). This conclusion is based on the information Land Rover provided about its device.

For the foregoing reasons, the agency hereby grants in full Land Rover's petition for exemption for the Land Rover LR2 vehicle line from the parts-marking requirements of 49 CFR Part 541, beginning with its 2013 model year vehicles. The agency notes that 49 CFR Part 541, Appendix A-1, identifies those lines that are exempted from the Theft Prevention Standard for a given model year. 49 CFR Part 543.7(f) contains publication requirements incident to the

disposition of all Part 543 petitions. Advanced listing, including the release of future product nameplates, the beginning model year for which the petition is granted and a general description of the antitheft device, is necessary in order to notify law enforcement agencies of new vehicle lines exempted from the parts-marking requirements of the Theft Prevention Standard.

If Land Rover decides not to use the exemption for this line, it shall formally notify the agency. If such a decision is made, the line must be fully marked as required by 49 CFR Parts 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if Land Rover wishes in the future to modify the device on which this exemption is based, the company may have to submit a petition to modify the exemption. Part 543.7(d) states that a Part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the antitheft device on which the line's exemption is based. Further, Part 543.9(c)(2) provides for the submission of petitions "to modify an exemption to permit the use of an antitheft device similar to but differing from the one specified in that exemption."

The agency wishes to minimize the administrative burden that Part 543.9(c)(2) could place on exempted vehicle manufacturers and itself. The agency did not intend in drafting Part 543 to require the submission of a modification petition for every change to the components or design of an antitheft device. The significance of many such changes could be *de minimis*. Therefore, NHTSA suggests that if the manufacturer contemplates making any changes, the effects of which might be characterized as *de minimis*, it should consult the agency before preparing and submitting a petition to modify.

Authority: 49 U.S.C. 33106; delegation of authority at 49 CFR 1.50.

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Christopher J. Bonanti
Associate Administrator for
Rulemaking

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