

**Supporting Statement
For
Uniform Tire Quality Grading Standards
49 Code of Federal Regulations 575.104**

OMB Control Number 2127-0519

A. Justification

1. Explain the circumstances that make the collection of information necessary. Attach the copy of the appropriate statute or regulation mandating or authorizing the collection of information.

The information collection supports the Department's strategic goal of Customer Service. 49 United States Code Sec. 30123(b), administered by the National Highway Traffic Safety Administration (NHTSA) states: The Secretary shall prescribe through standards a uniform quality grading system for motor vehicle tires to help consumers make an informed choice when purchasing tires. Additionally, Section 30123 (b) states that the Secretary shall cooperate with industry and the Federal Trade Commission to the greatest extent practicable to eliminate deceptive and confusing tire nomenclature and marketing practices.

With this mandate, the agency established 49 Code of Federal Regulations (CFR) 575.104 Uniform Tire Quality Grading Standards (UTQGS), which specifies a grading system for passenger car tires based on three different performance characteristics--treadwear, traction, and temperature resistance.

2. Indicate how, by whom, and for what purpose the information is to be used. Indicate actual use of information received from the current collection.

The UTQGS information is used by consumers of passenger car tires to compare tire qualities in making their purchase decisions. The information is provided in several ways to insure that the consumer can readily see and understand the tire grades:

- (1) The grades are molded into the sidewall of the tire so that they can be reviewed on both new tires and on the old tires that are to be replaced.
- (2) A paper label is fixed to the tread face of new tires that provides the grades of that particular tireline along with an explanation of the grading system.
- (3) Tire manufacturers provide their dealers with brochures for public distribution listing the grades of all of the tirelines they offer for sale.
- (4) NHTSA compiles the grading information of all manufacturers tirelines into a booklet that is available to the public both in printed form and on the Internet.

3. Describe whether the collection of information involves the use of technological collection techniques or other forms of information technology.

Part 575.104 requires that tire manufacturers report the information to NHTSA by any means the manufacturer chooses. The manufacturer is free to submit the information using any means

it wishes including electronic mail. While the actual transfer of this information from the industry to the agency is primarily done by way of a hard copy and sent by a mail handler, some industry members choose to transmit this information via e-mail or some other electronic means, currently NHTSA receives about 35% of the information request via electronic means, of which 100% of the requested information is obtained.

OMB considers the dissemination of this information to the general public as part of the collection process. That would include the labeling of the tire, the molding of UTQG information onto the tire and the printing and publishing of brochures required at the point of sale. All of these actions are about 90% automated (estimated) leaving only the rewriting of the brochures, when necessary, as a human function. Some small tire manufacturers may still perform some of these operations by hand. However, to increase the use of information technology, the agency will encourage industry members to submit this information on computer disks (using NHTSA-approved format), by email format or by the internet.

There are neither legal obstacles nor technological limitations involved in this requirement.

4. Describe efforts to identify duplication. Show why similar information cannot be used.

There is no duplication in this labeling requirement. The burden on the tire manufacturer is not amplified by needless duplication or governmental requirements. The information is not required to be submitted to any other governmental entity.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

The UTQGS does not include any special procedures for minimizing the burden on small entities because none of the tire producers are small entities. Every passenger car tire must be labeled with specified information to ensure that this comparative information is available to tire purchasers.

6. Describe the consequences to Federal Program or policy activities if the collection is not conducted or collected less frequently.

If the grading information is not labeled on each tire and the comparative brochures are not available from each dealer, tire purchasers would not receive this performance information. Therefore, consumers would have less comparative information for their tire purchase decisions.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.

The procedures specified for this labeling and brochure distribution are fully consistent with the guidelines set forth in 5 CFR 1320.6.

8. Provide a copy of the FEDERAL REGISTER document soliciting comments on extending the collection of information, a summary of public comment responding to the notice, and a description of the agency's actions in response to the comments. Describe efforts to consult with persons outside the agency to obtain their views.

See *Federal Register* (72 FR 39889, July 20, 2007) document soliciting comments on extending the collection of information. The agency offered the opportunity for review of this information, to persons outside the agency, to obtain their views, through *Federal Register* notices. NHTSA did not receive any comments, on this document.

9. Explain any decision to provide any payment or gifts to respondents, other than remuneration of contractors or grantees.

No payment or gift will be provided to respondents.

10. Describe any assurance of confidentiality provided to respondents.

The agency provides no assurance of confidentiality because all the information provided to NHTSA for Part 575.104 purposes is considered public information, and the purpose of the UTQGS is to have manufacturers make this performance information available to the public.

11. Provide additional justification for any questions on matters that are commonly considered private.

The labeling information was determined through public notice and comments; it is not of a sensitive nature; and it is intended for public consumption. There are no questions of a sensitive nature involved in this information collection; no justification statements are necessary.

12. Provide the estimate of the hours burden of the collection of information on the respondents.

The estimated hours burden of the UTQG information is composed of:

- a) Affixing paper labels to tires: NHTSA estimates that it takes approximately 1 second to affix a paper label to each replacement tire. Multiplying 199 million labels by 1 second (0.00028 hours) is 55,280 hours.
- b) Engraving molds: There are an estimated 60,000 passenger car tire molds used by tire manufacturers. The agency estimates about one third are new tire molds placed in production each year. Considering that this one third will need UTQGS information engraved on them each year, it is estimated that it takes 0.5 hrs to engrave the UTQGS information into each mold (20,000 x 0.5) to give a burden of 10,000 hours.
- c) Writing Brochure: NHTSA estimates that it takes approximately 150 hours to write or update a manufacturer's tire brochure. Multiplying this by 163 respondents is 24,450 hours.

The total annual hours of these items is 89,730 hours and using an hourly rate of \$22 for the average rubber worker earned, the total cost of these items is \$1,974,060.

13. Provide the estimates of the total annual cost to the respondents or record keepers resulting from the collection of information (do not include the cost of any hour burden shown in Question 12 or 14).

The largest portion of the cost burden imposed by the UTQGS program arises from the testing necessary to determine the grades that should be assigned to the tires. The cost burden is broken into its components as follows.

- a) Treadwear testing: There are approximately 125 convoys of 4 vehicles each that are run annually for 7,200 miles. NHTSA estimates it costs \$0.60 per vehicle mile including salaries, overhead, and reports. Thus, the treadwear testing cost is about \$17,280 per convoy (7,200 miles x 4 vehicles x \$0.60). This brings annual treadwear testing cost to \$2,160,000 (125 x \$17,280).
- b) Traction testing: It is estimated that 1,900 tires are tested annually with an estimated cost of \$38,000 for use of the government test facility. Using a factor of 3.5 times the \$38,000 to cover salary and overhead of test contractors, the estimated total cost of traction testing is \$133,000 (\$38,000 x 3.5).
- c) Temperature testing: A separate temperature grade testing for tires is required, since the test will not be an extension of the high speed performance test of 49 CFR Part 571.109 which was required for safety certification. Part 571.109 is replaced with Part 571.139 effective September 2007 that has different test speeds.

For the temperature testing, it is estimated that 1,900 tires are tested annually with an estimated average cost per test of \$423. Therefore, the estimated UTQGS temperature annual testing is \$803,700 (1,900 x \$423)

- d) Printing paper tread labels: There are about 199 million replacement passenger car tires sold annually. Assuming, it costs \$0.11 for printing each label on gummed paper, the total cost is approximately \$21,890,000.
- e) Printing brochures: Assuming that 16.65 million brochures are printed annually and considering the cost of printing each brochure \$0.06 (450 words per brochure x \$0.00013 per word). Multiplying 15 million by \$0.06 to print each brochure gives a cost burden of \$999,000.

The total annual cost of these five items is \$25,985,700 (approximately \$26 million).

14. Provide estimates of annualized costs to the Federal government.

The estimated annual cost of UTQGS to the Federal government is \$1,278,000. The cost consists of approximately \$152,000 for data management, \$730,000 for enforcement testing,

and about \$396,000 for general administration of the program.

15. Explain the reasons for any program changes or adjustments reported in item 13 or 14 of the OMB form 83-I.

The changes indicated in items 13 and 14 of the OMB form 83-I are necessary, due to the change in tire FMVSS, which created an adjustment of an increase, to both the burden hours and the cost.

16. For collections of information whose results will be published for statistical use, outline plans for tabulation, and publication.

The information made public under the UTQGS requirements is not published for statistical use. This requirement is for informational purposes only.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

Approval is not being sought not to display the expiration date for OMB approval of the information collection.

18. Explain each exception to the certification statement identified in Item 19, Certification for Paperwork Reduction Act submissions, of OMB Form 83-I.

There are no exceptions.

B. Collections of information employing statistical methods.

This requirement does not employ statistical methods.