ATV Action Plan of Carter Brothers Manufacturing Co., Inc.

July 17, 2009

Renee K. Haslett
Trial Attorney
Division of Compliance
Office of the General Counsel
U.S. Consumer Product Safety Commission
4330 East West Highway
Bethesda, MD 20814-4408

MFR/PRVLBR NOTIFIED 1/13/09
COMMENTS: __YES ✓NO
__OVERRULED; __ATTACHED
__EXCISIONS/FOIA Hxs. __;
✓DO NOT RE-NOTIFY __RE-NOTIFY

Dear Ms. Haslett:

Carter Brothers Manufacturing Co., Inc. (herein "Carter Brothers") is fully committed to the goal of reducing ATV-related accidents. We have implemented new policies in accordance with the rules set forth by Section 232 of the Consumer Product Safety Improvement Act of 2008. The actions outlined below are part of our continuing effort to promote safe and responsible use of our ATVs.

Age Recommendations

Carter Brothers will not recommend, market, advertise nor sell new adult-sized ATVs for use by persons less than 16 years of age. In addition, Carter Brothers will use only the maximum speed and speed limitations specified in Section 6 of the ANSI/SVIA-1-2007 Standard for ATVs. Carter Brothers will use its best efforts to ensure that its dealers comply with these requirements.

Dealer Monitoring

Carter Brothers will use its best efforts to obtain dealer compliance with the age recommendations, including through dealer monitoring programs consisting of at least 50 undercover, random, on-site inspections annually conducted by independent investigators or an outside monitoring firm.

Carter Brothers will take corrective actions, including possible termination to the extent permitted by applicable state and local laws, against non-complying dealers who do not abide by Carter Brothers' age recommendations.

Training

Carter Brothers will offer free, hands-on ATV training to all first time purchasers and age appropriate members of their immediate families within a reasonable time from purchase. Carter Brothers notes that this free, hands-on training program is in addition to the training information already provided in a variety of formats to all purchasers, including the owner's manual, hang tags, ATV safety video and other media. The free, hands-on training program will be provided through the ATV Safety Institute (ASI) training course.

After completion of the ASI training course, the rider will qualify for an incentive worth $100. The $100 incentive for training will include at least $50 in cash, with the balance offered (at the consumer's choice) as a rebate for already purchased safety equipment or a credit towards the purchase of new safety equipment.

The training program information and the reimbursement method of the training expense will be introduced by dealers verbally at the point of sale, through safety video, or through posters displayed in the store. Also, the training program will be introduced through a rebate form with detailed training information attached.

Additionally, Carter Brothers will email purchasers with information about registering for training.

Safety Video

Carter Brothers will provide each purchaser with an ATV safety video as described in Section H.3.b. (4) (b) and paragraphs II.A and II.C of Appendix I of the 1988 ATV Consent Decrees. The safety video will actively promote the training course and provide a series of important safety messages.

Safety Alerts

Carter Brothers will provide to dealers for dissemination to each purchaser a "Safety Alert" containing the same substantive safety information as the Safety Alert described in Section H.3.b. (4)(c) and Appendix J of the 1988 ATV Consent Decrees. The information will also include death and injury statistics for ATVs, safety rules, age recommendations, and the information about the ATV training course.

Toll-free Telephone Hotline

Carter Brothers will provide a toll-free 24-hour hotline to respond to consumer inquires as described in Section H.4 of the 1988 ATV Consent Decrees and will provide safety and training information, including age recommendations.

Advertising

Carter Brothers will require the ATV advertising and promotional materials to include the substance of the safety messages that are described at Section J.1 and Appendix K to the 1988 ATV Consent Decrees and will depict ATVs in a manner consistent with safe and responsible use of the product. Carter Brothers will make sure all riders shown in such advertisements shall wear helmets and full protective gear. Carter Brothers will also use its best efforts to promote dealer compliance with Carter Brothers' ATV advertising policies, including conditioning cooperative advertising funding on such compliance.

Information/Education Program

Carter Brothers will work with its ATV dealers to create and implement an information/education campaign directed primarily at providing safety information and at deterring children under age sixteen from operating adult-size ATVs. Among other things, this effort will further promote Carter Brothers' ongoing efforts to communicate age recommendation, passenger, and other safety-related information to consumers. The ATV Safety Public Awareness Campaign, which is attached to this action plan as Appendix A, describes the ATV Safety Awareness Information and Education Campaign that Carter Brothers plans to implement.

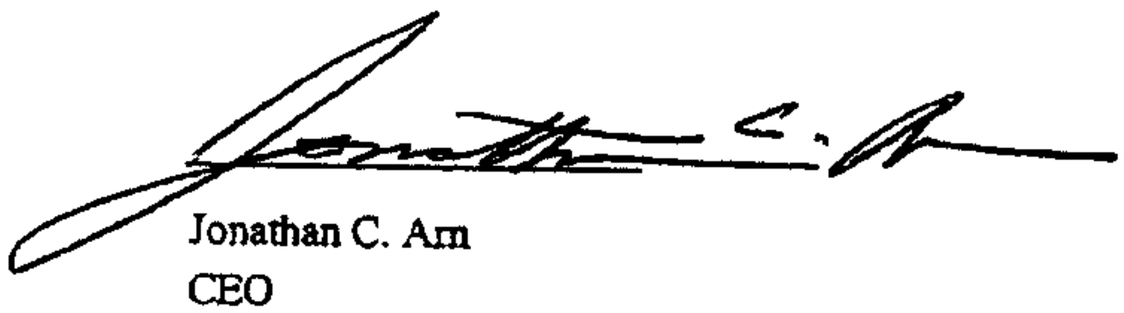
Notice of Termination of Action Plans

Carter Brothers will give the CPSC at least 60 days advance notice of its intention to terminate or materially change any commitment under the Action Plan.

Conclusion

Carter Brothers intends to maintain the above specified actions and will continue Carter Brothers' effective efforts to promote safe and responsible use of its ATVs. Carter Brothers will provide information about these activities upon reasonable request from CPSC.

Sincerely yours,
CARTER BROTHERS MANUFACTURING CO., INC.



Jonathan C. Arm
CEO

Appendix A

Carter Brothers Manufacturing Co., Inc.
Proposed Education Plan for the
ATV Safety Public Awareness Campaign
July 17, 2009

This document describes the ATV Safety Awareness Information and Education Campaign that Carter Brothers Manufacturing Co., Inc. (herein "Carter Brothers") plans to implement.

Objective

Generate and raise awareness of the safety issues such as the Age Recommendations and proper operation of ATVs, such as the importance of the Free Training Program among the target audience in an effort to help reduce the occurrence of injuries associated with ATV riding.

Target

The campaign's target audience will primarily consist of existing Carter Brothers customers who have previously made a purchase from us as well as prospective buyers of any product distributed by Carter Brothers.

Geography

Support the full national scope of ATV owners and prospective buyers.

Timing

Carter Brothers plans to concentrate most of its campaign efforts during our "high sales" season which is early fall. However, we will commit to continuing our on-line campaign throughout the year in order to keep people informed and educated about the dangers of unsafe ATV riding.

Communication Goal

- Develop an on-line Internet campaign targeted toward ATV owners and other consumers interested in purchasing ATVs as well as members of their immediate families and other ATV enthusiasts.
- The overall message of the campaign is to communicate the importance of following all of the safe-riding guidelines established by the ATV Safety Institute through a series of analogical messages comparing the dangers of going against the guidelines with other common dangerous, painful, and life threatening experiences. We want people to realize that getting hurt on an ATV is as real and common as burning oneself on a hot iron or getting stung by an insect but with much worse and extreme consequences.

Costs

Carter Brothers will do its best to devote as much monetary funds as possible to the development of the ATV safety and awareness campaign. However, recognizing the fact that our ATV sales are at a much lower level than any other ATV distributor in the country we kindly ask CPSC to understand that we would not be able to contribute as much funds as our competitors do. Our total annual ATV sales for the past 3 years are as follows: 2007 – 79 units, 2008 – 73 units, 2009 (so far) – 10 units.

Media Costs:

Internet Advertising: $ 4,000.00

Video Promotions: $ 5,000.00

Print Materials: $ 6,000.00

Total Media: $ 15,000.00

Strategies

- Carter Brothers intends to do most of its educational campaign efforts through the Internet. The latest studies by the US Census Bureau, Nielsen/ Net Ratings and ITU show that 73.1% of the United States population uses Internet for various purposes on an at least weekly basis. That means that through utilizing this common advertising outlet we potentially can reach as many as 246,822,936 Internet Users.
- Carter Brothers plans to invest into various methods that will raise our web-site's exposure on the internet when a key word "ATV" is entered in a search on several of the most popular web search engines such as Google, Yahoo, MSN, and AOL. We will commit to creating a special section on our web-site (www.carterbro.com) that will have various articles, pictures, videos and links on ATV safety. We also will create an application that will create a pop-up advertisement on the page every time a visitor clicks on the ATV link on our web-site which will display the campaign messages in picture and text formats.
- In addition, we are planning on filming our own safety video as well as several commercial and video-safety messages that will be displayed on our web-page.
- The safety messages, which will be attractively designed by our marketing team, will also be printed into flyers and posters to be distributed and displayed by the dealers in our dealer network.
- The dealers will also be instructed by our company to constantly remind the customers to keep checking our web-site for updates as a way to increase our chances to penetrate as much of the target audience as possible.

Creative Development

- Carter Brothers intends to communicate its message promoting ATV safety through a series of on-line ads and other printed materials. The ads will try to associate riding an ATV without proper gear or performing dangerous maneuvers to other common instances of injury, such as getting burned or tripping and scratching our knee. Then it will say "now imagine that but at a

speed of 40mph". The rationale is that people do not realize how seriously they can get hurt on an ATV, they mostly think of it as something entirely hypothetical that happens to other people but will never happen to them. Our effort will be concentrated towards making a person stop and think for a second of how much pain and discomfort as well as other dire consequences an ATV injury can cause.

- We are also currently looking into teaming up with other dealers and distributors of ATVs as well as ATV clubs and enthusiasts in Alabama (such as **Alabama Off-Highway Vehicle Association (ALOHVA), ATV Wilderness Camp, Southern Dixie Riders**) in an effort to create a state-wide campaign to raise awareness about ATV safety in our region. We are currently carrying out negotiations with the largest dealers and clubs in the area about combining our efforts and funds for this campaign and hosting a local event to raise awareness in the area about ATV safety. We are planning to have a day of ATV riding when enthusiasts come together with experienced riders, instructors, ATV experts and dealers and spend the day bonding over their love of nature and off-road riding. We are planning to set-up a free ATV training course at the event as well as involve local music bands and other entertainment to attract as many people as possible. This plan is still under development and we are still in the process of research and negotiations, however, if the project was to take off Carter Brothers will ensure that the CPSC officials are informed of that in a timely manner.