



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF  
ENFORCEMENT AND  
COMPLIANCE ASSURANCE

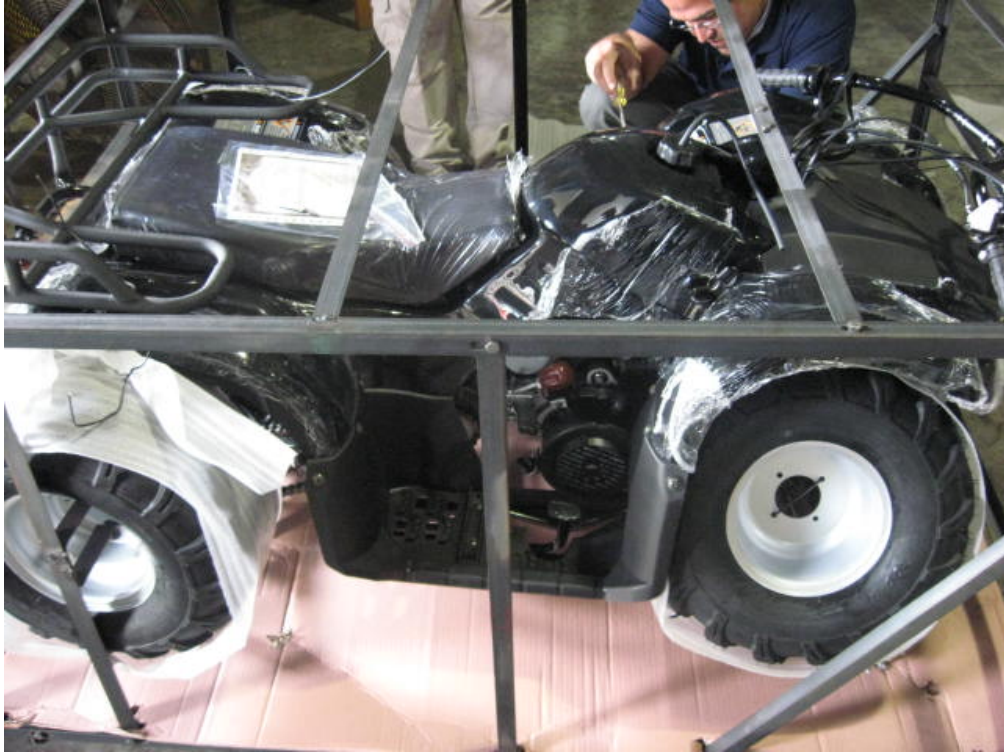
## **2007 Vehicle and Engine Imports Clean Air Act Information Sheet**

Over the past 18 months, EPA has settled 58 cases concerning approximately 48,000 illegal importations of motorcycles, automobiles, generators, tractors, and construction equipment. The sum of the penalties paid to settle these administrative cases has totaled nearly \$2.4 million. This number does not include the U.S. Customs and Border Protection Patrol civil penalties, the storage fees, the cost of exporting the illegal equipment or correcting the violations, and the cost of implementing a compliance plan.

These 58 cases reflect the continued increase in imports from China which began in fall of 2004. Initially, the majority of import violations concerned engines that had not been certified. Recently, many more manufacturers have obtained certification. EPA's mobile air enforcement program interprets this trend as a sign that its efforts in this arena are beginning to take effect. However, now the nature of the violations has shifted to engines that are missing the required emissions controls, do not bear the proper EPA emissions control information labels, and/or do not meet emission standards over the full regulatory life of the equipment. These noncompliant engines can emit over 30% more than EPA standards permit.

The majority of the violators in these cases are small businesses, who are unaware of the environmental regulations that apply to their goods. Because noncompliant imports are often cheaper than legal alternatives, it is essential for importers as well as consumers to ensure that the equipment they buy is certified and meets EPA emissions standards. In addition, uncertified equipment often does not bear the required warranty for reparation or replacement of the equipment over its useful life.

EPA takes a collaborative approach to identify more effectively imports that violate U.S. Clean Air Act standards. In addition to working with U.S. Customs and Border Protection Patrol, EPA has been working with importers and manufacturers, and with other governments and stakeholders, to stem the importation of unsafe products upon entry into the United States. The Memorandum of Understanding between EPA and the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ), signed in fall of 2007, specifically addresses prevention of the manufacture and importation of noncompliant gasoline and diesel engines through a variety of information exchange programs. Given the heightened interest in import safety caused by events in 2007, such as the lead-contaminated toy recall and the melamine-laced pet food scare, this type of multifaceted strategy is critical to addressing the challenges of import safety, and at the same time, protecting the environment.



Customs inspection of all terrain vehicle shipment



Muffler/ exhaust system missing catalyst

## **Case summaries:**

Forty-eight cases originated from violations of the Control of Emissions from New and In-Use Nonroad Compression-Ignition (Diesel) Engine Regulations and/or the Nonroad Spark-Ignition (Gasoline) Engine Regulations, 40 C.F.R. Parts 89 and 90, respectively; four cases involved violations of the Emission Regulations for 1978 and Later New Motorcycles, 40 C.F.R. Part 86, Subpart E; three cases involved violations of the Regulations for Control of Emissions from New and In-Use Highway Vehicles and Engines, 40 C.F.R. Part 86; four cases involved violations of the Control of Emissions for Recreational Engines and Vehicles Regulations, 40 C.F.R. Part 1051; and one case involved a violation of Regulations for Control of Emissions from Marine Compression-Ignition Engines, 40 C.F.R. Part 94. A brief summary of each case, organized by state, with most recent cases first, follows:

### ***California***

- **Karya Brothers Network, Inc:** In February 27, 2007, EPA and Karya Brothers Network, Inc., of San Jose, California, entered into an administrative settlement agreement that required Karya Brothers Network, Inc., to pay a civil penalty of \$8,500 for importing 655 generators equipped with engines that were labeled improperly. The engine labels did not identify the trademark and the name of the engine manufacturer and/or the label could be removed without being destroyed or defaced. Karya Brothers Network, Inc., was required to export or destroy the improperly labeled engines.
- **Kawasaki Motors Corp., U.S.A.:** On July 11, 2006, EPA and Kawasaki Motors Corp. U.S.A. entered into an administrative settlement agreement that required Kawasaki Motors Corp. U.S.A. to pay a civil penalty of \$37,500 after disclosing to the EPA that they had failed to re-certify their engines in model year 2003 and again in model year 2005. A total of 25,000 uncertified hand-held engines were affected. Kawasaki Motors Corp. U.S.A. requested that the violations be considered under EPA's Audit Policy. The audit policy reduces penalties for regulated parties who voluntarily conduct compliance evaluations, disclose the violations to EPA, and correct the violations in a timely manner. Since Kawasaki Motors Corp. U.S.A. met these conditions, their penalty was reduced by 75%.

## *Florida*

- **Hardware & Tools for the World, Inc:** On December 19, 2007, EPA and Hardware & Tools for the World, Inc., entered into an administrative settlement agreement that required Hardware & Tools for the World, Inc., to pay a civil penalty of \$70,000 for the importation of over 2,500 uncertified and/or mislabeled nonroad engines between October 2003 and December 2005. Hardware & Tools for the World, Inc., was required to export the engines seized by U.S. Customs and Border Protection and the engines in Hardware's warehouse to a country other than Canada or Mexico.
- **Marathon Motors Corporation:** Marathon Motors Corporation paid a civil penalty of \$6,000 for importing eight mini-vehicles that contained nonroad SI engines into the Port of Jacksonville, Florida in August and September 2007. Three of the engines bore an EPA emissions control information labels that were not readily visible and the remaining five engines bore EPA emissions control information labels that could be removed without being destroyed or defaced. In the settlement agreement, Marathon Motors Corporation was required to either export or destroy the vehicles, or install new labels that met EPA requirements under the supervision of a licensed observer.
- **Blata USA Corporation, Omicron Motors:** Blata USA Corporation and Omicron Motors were required to pay a civil penalty of \$25,000 for importing 120 uncertified motorcycles and 20 uncertified engines, respectively. In the settlement agreement, Blata USA Corporation and Omicron Motors were required to destroy the engines or export them to a location outside North America.
- **Simply Reliable Power, Inc:** Simply Reliable Power, Inc., of Miramar, Florida, paid a civil penalty of \$30,000 for importing 193 nonroad diesel engines that were improperly labeled in March and April 2007. Simply Reliable Power, Inc., was required to destroy the engines or export them to a country other than Canada or Mexico.
- **MOD Cycles Corp.:** MOD Cycles Corp. was required to pay a civil penalty of \$11,000 for importing a total of 239 motorcycles with noncompliant labels into the port of Miami, Florida in March and July 2007. In the settlement agreement, MOD Cycles Corp. was required to either export or destroy the motorcycles, or install new labels that meet EPA requirements under the supervision of a licensed observer.
- **Pramac Industries, Inc:** Pramac Industries, Inc., of Medley, Florida was required to pay a civil penalty of \$12,000 for importing 28 nonroad diesel engines and generator sets that were improperly labeled into the port of Fort Lauderdale, Florida in June 2007. Pramac Industries, Inc., was required to destroy the engines or export them to a country other than Canada or Mexico.

- **Peace Industry Group USA, Inc., A & A Scooter, Inc., and Louis Thomas:** See listing under Georgia.
- **Meireles Truck Sales:** Meireles Truck Sales paid a civil penalty of \$18,000 for importing two uncertified diesel generators into the port of Miami, Florida in June 2007. In the settlement agreement, Meireles Truck Sales was required to export the engines to a location outside of the United States and its territories, Canada, and Mexico.
- **King Precision Products, LLC:** On September 20, 2007, EPA and King Precision Products, LLC entered into an administrative settlement agreement that required King Precision Products, LLC to pay a civil penalty of \$18,400 for importing 219 generators containing gasoline nonroad engines into the Port of Miami, Florida in April 2007. The engines bore EPA emissions control information labels that could be removed without being destroyed or defaced. In the settlement agreement, King Precision Products, LLC was required to either export or destroy the engines.
- **Pramac Industries, Inc:** On August 16, 2007, EPA and Pramac Industries, Inc., of Medley, Florida entered into an administrative settlement agreement that required Pramac Industries, Inc., to pay a civil penalty of \$12,500 for importing 73 nonroad engines and generator sets with noncompliant labels into the port of Savannah, Georgia in December 2006 and January 2007. Pramac Industries, Inc., was required to either export or destroy the engines, or follow the procedures of the corrective action delineated in the settlement agreement to replace the noncompliant labels with compliant labels.
- **MAN Engines and Components, Inc:** MAN Engines and Components, Inc., was required to pay a civil penalty of \$30,000 for importing 32 uncertified marine diesel engines into the port of Miami, Florida in July 2007. In the settlement agreement, MAN Engines and Components, Inc., was required to either export or destroy the engines, or install new labels that met EPA requirements under the supervision of a licensed observer.
- **Florida Detroit Diesel-Allison, Inc:** Florida Detroit Diesel-Allison, Inc., paid a civil penalty of \$44,000 for importing 16 uncertified diesel engines into the port of Savannah, Georgia in May 2007. In the settlement agreement, Florida Detroit Diesel-Allison, Inc., was required to apply for and obtain a national security exemption under 40 C.F.R. § 89.908, or otherwise to export the engines to a location outside North America.
- **Base Core Management, LLC:** Base Core Management of Satellite Beach, Florida, paid a civil penalty of \$5,993 for importing 110 generators containing engines that were not affixed with the requisite legible, permanent labels. Base Core Management was required to either export or destroy the engines, or follow

the procedures of the corrective action delineated in the settlement agreement to replace the non-compliant labels with compliant labels.

- **Pramac Industries, Inc:** On May 27, 2007, EPA and Pramac Industries, Inc., of Medley, Florida, entered into an administrative settlement agreement that required Pramac Industries, Inc., to pay a civil penalty of \$48,000 for importing 1,412 engines that were uncertified and improperly labeled into the port of Miami, Florida in March and May 2006. Pramac Industries, Inc., declared on the EPA Declaration form that the engines were for export only, but neither the engines nor their containers were labeled as such. Pramac Industries, Inc., was required to export or destroy the engines.
- **Simply Reliable Power, Inc:** On May 23, 2007, EPA and Simply Reliable Power, Inc., of Miramar, Florida, entered into an administrative settlement agreement that required Simply Reliable Power, Inc., to pay a civil penalty of \$23,450 for importing 27 generators that were improperly labeled. Simply Reliable Power, Inc.'s EPA Engine Declaration Forms stated that the engines were to be exported, but there were no labels on the engines or on the containers indicating such. U.S. Customs and Border Protection seized the engines on January 4, 2006 at the port of Miami, Florida. Simply Reliable Power, Inc., was required to export or destroy the engines.
- **Backup Power Systems, Inc:** Backup Power Systems, Inc., of Miami, Florida, paid a civil penalty of \$15,000 for importing 22 generators containing engines that did not meet EPA labeling and certification requirements. U.S. Customs and Border Protection seized the engines in February 2006. Backup Power Systems Inc. was required to export the engines outside of the U.S., Canada, or Mexico or destroy the engines.
- **Broadcrown, Inc:** Broadcrown, Inc., of Medley, Florida, paid a civil penalty of \$70,700 for importing 43 generators that contained uncertified engines. The engines were detained by U.S. Customs and Border Protection at the port of Miami, Florida in September 2006. Broadcrown, Inc., was required to export the engines outside of the U.S., Canada, or Mexico.
- **MECO Equipment Sales, Inc:** On January 30, 2007, EPA and MECO Equipment Sales, Inc., of Miami, Florida, entered into an administrative settlement agreement that required MECO Equipment Sales, Inc., to pay a civil penalty of \$36,200 for importing nine excavators equipped with uncertified nonroad diesel engines. All of the equipment was exported.
- **Kapa Technologies, Inc:** Kapa Technologies, Inc., of Pompano, Florida, paid a civil penalty of \$2,310 for importing 133 motorized skateboards equipped with engines that were certified for use in handheld equipment but were installed in non-handheld equipment. In addition, the engines were claimed as manufacturer-owned, but they did not qualify as such. Consequently, since the engines were

improperly reported and labeled, the engines were seized by U.S. Customs and Border Protection at the port of Fort Lauderdale in September 2006. Kapa Technologies, Inc., was required to export or destroy the engines.

- **ABC Tools:** On September 25, 2006, EPA and ABC Tools of Miami, Florida, entered into an administrative settlement agreement that required ABC Tools to pay a civil penalty of \$155,000 for importing 969 generators and water pumps containing uncertified and unlabeled engines. In September 2005, U.S. Customs and Border Protection detained 315 pieces of equipment at the port of Miami, Florida. Seven prior shipments of uncertified and unlabeled engines that entered the United States before September 2005 were also incorporated in the penalty charges. The 315 engines were required to be exported outside of the U.S., Canada, or Mexico.
- **Tools & Hardware, LLC:** On September 19, 2006, EPA and Tools & Hardware, LLC of Miami, Florida, entered into an administrative settlement agreement that required and Tools & Hardware, LLC to pay a civil penalty of \$10,000 for importing 1,040 trimmers and brush cutters outfitted with uncertified engines that bore neither a “solely for export” label nor an EPA emissions control information label. U.S. Customs and Border Protection seized the engines on September 5, 2006. Tools & Hardware, LLC was required to export the engines outside of the U.S., Canada, or Mexico or destroy all engines. In addition, Tools & Hardware, LLC was required to submit a nonroad engine compliance plan to the EPA.
- **General Power Limited:** General Power Limited of Miami, Florida, paid a civil penalty of \$50,461 for importing 3 shipments of generators containing 170 uncertified and unlabeled nonroad engines. General Power Limited was required to export the generators remaining in its possession outside of the U.S., Canada, or Mexico.
- **Partech Industries, Inc:** On August 8, 2006, EPA and Partech Industries, Inc., of Miami, Florida, entered into an administrative settlement agreement that required Partech Industries, Inc., to pay a civil penalty of \$5,800 for importing 256 generators equipped with uncertified engines that did not bear the necessary EPA emissions control information labels. On March 13, 2006 the generators were seized by U.S. Customs and Border Protection at the port of Fort Lauderdale, Florida. Partech Industries, Inc., was required to either destroy or export the generators outside of the U.S., Canada, or Mexico.
- **Generating Systems, Inc:** On July 7, 2006, EPA and Generating Systems, Inc., of Miami, Florida, entered into an administrative settlement agreement that required Generating Systems, Inc., to pay a civil penalty of \$3,000 for importing 94 nonroad engines that that were not identified with the proper labels. The engines were detained by U.S. Customs and Border Protection on June 13, 2005 at the port of Everglades, Florida because the engines were neither labeled or tagged “solely for export” nor were they outfitted with the correct legible,

permanent EPA emissions control information labels. Generating Systems, Inc., was required to destroy or export the subject engines outside of the U.S., Canada, or Mexico. The company had prior violations involving the import of nonroad engines dating back to 2004.

- **Kare USA Corp:** Kare USA Corp. was required to pay a civil penalty of \$25,000 for importing 741 generators and water pumps equipped with unlabeled and uncertified nonroad engines. The engines were seized by U.S. Customs and Border Protection on March 24 and March 27 2006. Kare USA Corp. was required to export the engines outside of the U.S., Canada, or Mexico outside of the North American continent.

### *Georgia*

- **Peace Industry Group USA, Inc., A & A Scooter, Inc., and Louis Thomas:** Peace Industry Group USA, Inc., A & A Scooter, Inc., and Louis Thomas paid a total civil penalty of \$16,000 for importing ATVs with EPA emissions control information labels that could be removed without being destroyed or defaced. EPA required the manufacturer and certificate holder of the engines (Peace) to remove the noncompliant labels and affix compliant labels, to conduct a root cause analysis to determine the cause of the violations, and undertake corrective action to prevent future violations.
- **AGCO Corporation and Perkins Engines Company Limited:** AGCO Corporation and Perkins Engines Company Limited (Perkins) paid a civil penalty of \$95,000 for importing 62 nonroad diesel engines with EPA emissions control information labels that could be removed without being destroyed or defaced. EPA required the manufacturer and certificate holder of the engines (Perkins) to remove the noncompliant labels and affix compliant labels, conduct a root cause analysis to determine the cause of the violations, and undertake corrective action to prevent future violations.
- **Doosan Infracore America Corporation:** Doosan Infracore America Corporation paid a civil penalty of \$99,000 for importing 26 excavators and 3 wheel loaders containing nonroad diesel engines into the port of Savannah, Georgia, in March and April 2007. U.S. Customs and Border Protection inspection of the engines revealed that the engines bore EPA emissions control information labels that could be removed without being destroyed or defaced. In the settlement agreement, Doosan Infracore America Corporation was required to either export or destroy the engines, or install new labels that met EPA requirements under the supervision of a licensed observer.
- **Yanmar America Corporation; CNH America, LLC; and Kobelco Construction Machinery America, LLC:** Yanmar America Corporation of Buffalo Grove, IL; CNH America, LLC of Racine, WI; and Kobelco Construction Machinery America, LLC of Calhoun, Georgia, paid a civil penalty of \$37,500 for

importing 33 excavators equipped with engines affixed with labels that could be easily removed without being defaced or destroyed. In May 2007, U.S. Customs and Border Protection seized the excavators at the port of Savannah, Georgia. Yanmar America Corporation, CNH America, LLC, and Kobelco Construction Machinery America, LLC must remove the noncompliant labels and replace them with compliant labels according to the corrective action described in the settlement agreement.

### *Illinois*

- **Deere and Company:** Deere and Company paid a civil penalty of \$35,000 for importing 30 tractors that contained nonroad diesel engines into the port of Savannah, Georgia in May 2007. The engines bore EPA emissions control information labels that could be removed without being destroyed or defaced. The certificate holder was required to follow the procedures of the corrective action delineated in the settlement agreement to replace the noncompliant labels with compliant labels.
- **Komatsu America Corporation:** Komatsu America Corporation (Komatsu) paid a civil penalty of \$162,000 for importing 12 excavators and 7 bulldozers that contained nonroad diesel engines into the port of Savannah, Georgia in March 2007. The engines bore EPA emissions control information labels that could be removed without being destroyed or defaced. EPA required the manufacturer and certificate holder of the engines (Komatsu) to remove the noncompliant labels and affix compliant labels, to conduct a root cause analysis to determine the cause of the violations and undertake corrective action to prevent future violations.
- **Yanmar America Corporation:** Yanmar America Corporation paid a \$250,000 civil penalty in June 2007 for importing or causing the importation of certain equipment that contained nonroad diesel engines into the port of Savannah, Georgia. U.S. Customs and Border Protection inspection of some of these engines revealed that the engines bore EPA emissions control information labels that could be removed without being destroyed or defaced. The EPA Administrative Settlement Agreement requires the manufacturer and the certificate holder of the engines, Yanmar America Corporation, to remove the defective labels and replace the labels with compliant labels, to conduct a root cause analysis, undertake corrective action, submit a corrective action plan and report to EPA within 210 days of the Agreement, and to undertake compliance certification for the next two years following the date of the Agreement.
- **Yanmar America Corporation; CNH America, LLC; and Kobelco Construction Machinery America, LLC:** See listing under Georgia.

### *Kentucky*

- **Isuzu Motors Ltd. and LBX Company, LLC:** Isuzu Motors Ltd. and LBX Company, LLC paid a civil penalty of \$30,535 for importing four excavators that contained diesel engines into the port of Savannah, Georgia in March 2007. U.S. Customs and Border Protection inspection of the engines revealed that the engines bore metal EPA emissions control information labels that could be removed without being destroyed or defaced. The certificate holder was required to follow the procedures of the corrective action delineated in the settlement agreement to replace the noncompliant labels with compliant labels.

### *Michigan*

- **Detroit Diesel Corporation:** Detroit Diesel Corporation was required to pay a civil penalty of \$25,000 for importing twelve heavy duty diesel engines with defective labels at the port of Savannah, Georgia. Detroit Diesel Corporation was required to destroy or export the subject engines.

### *New York*

- **Bryan's Farm and Industrial Supply Ltd:** Bryan's Farm and Industrial Supply Ltd. paid a civil penalty of \$1,200 for importing six uncertified nonroad diesel generator engines and one diesel water pump. The engines were required to be destroyed.
- **GMS Solutions, Inc:** GMS Solutions, Inc., paid a civil penalty of \$12,200 for importing 744 generators containing uncertified and unlabeled engines. On September 2, 2006 and October 13, 2006 U.S. Customs and Border Protection seized the engines at the port of Fort Lauderdale, Florida. GMS Solutions, Inc., was required to export the generators outside of North and Central America.

### *North Carolina*

- **Isuzu Motors Ltd. and Deere-Hitachi Construction Machinery:** Isuzu Motors Ltd. and Deere-Hitachi paid a civil penalty of \$45,800 for importing six excavators that contained nonroad diesel engines into the port of Savannah, Georgia in March 2007. The engines bore EPA emissions control information labels that could be removed without being destroyed or defaced. EPA required the manufacturer and certificate holder of the engines (Isuzu) to remove the noncompliant labels and affix compliant labels, to conduct a root cause analysis to determine the cause of the violations and undertake corrective action to prevent future violations.
- **Terex Cranes Wilmington, Inc:** Terex Cranes Wilmington, Inc., of Wilmington, North Carolina, paid a civil penalty of \$35,000 for importing four cranes containing engines that bore labels that could be removed without being defaced or destroyed. U.S. Customs and Border Protection seized the engines on April 19, 2007 at the Port of Savannah, Georgia. In the settlement agreement, Terex Cranes

Wilmington, Inc., was required to either export or destroy the engines, or install new labels that met EPA requirements under the supervision of a licensed observer or U.S. Customs and Border Protection.

- **Volvo Construction Equipment North America, Inc:** Volvo Construction Equipment North America, Inc., of Asheville, North Carolina, paid a civil penalty of \$187,000 for importing 32 excavators with engines bearing EPA emissions control information labels that could easily be detached from the engine without being defaced or destroyed. U.S. Customs and Border Protection seized the engines on April 18, 2007 at the port of Savannah, Georgia. Volvo Construction Equipment North America, Inc., self-disclosed to EPA that an additional 105 excavators were being imported and they also had the incorrect EPA emissions control information labels. Volvo Construction Equipment North America, Inc., was required to either export or destroy the engines, or follow the corrective action procedure to affix new, compliant labels to the excavators' engines. The Administrative Settlement Agreement also required Volvo Construction Equipment North America, Inc., to submit a compliance plan.
- **Apple Tree Imports:** Apple Tree Imports of Hickory, North Carolina, paid a civil penalty of \$4,511 for importing 196 uncertified and improperly labeled gasoline generators. The generators (5 HP) were detained by U.S. Customs and Border Protection at the port of Wilmington, North Carolina on February 13, 2006. The generators were required to be exported outside of the U.S., Canada, or Mexico.

### *Ohio*

- **Hercules Tire Company:** Hercules Tire Company paid a civil penalty of \$10,000 for the importation of 12 uncertified diesel generator engines into the port of Buffalo, New York in May and June 2006. In the settlement agreement, Hercules Tire Company was required to export the engines to a location outside North America.
- **General Power Products:** On August 2, 2006, EPA and General Power Products of Loveland, Ohio, entered into an administrative settlement agreement that required General Power Products to pay a civil penalty of \$60,000 for importing 7,680 small portable generator sets. The engines were detained by U.S. Customs and Border Protection at the port of Cincinnati, Ohio because the labels that were affixed to them could be removed without being destroyed or defaced. After the initial detention, General Power Products reported to EPA that they had imported an additional 10,991 engines that also had improper labels. The settlement agreement required General Power Products to either place new durable, permanent EPA emissions control information labels on the engines that meet EPA requirements, or export the engines outside of the U.S., Canada, or Mexico.

### *Oregon*

- **Robinson's Trading Co:** On February 8, 2007, EPA and Robinson's Trading Co. of Sutherlin, Oregon, entered into an administrative settlement agreement that required Robinson's Trading Co. to pay a civil penalty of \$3,400 for importing six uncertified minitrucks. When importing the trucks into the United States, Robinson's Trading Co. declared on U.S. Customs and Border Protection forms that the vehicles were excluded from certification requirements because they were off-road vehicles. The motor vehicles are not eligible for exclusion because they are fully capable of on-highway use; consequently they were seized by U.S. Customs in September 2006 at the port in Portland, Oregon. Robinson's Trading Co. was required to export or destroy all the minitrucks.

### *Pennsylvania*

- **Devon Motorcycles, Inc:** On February 27, 2007, EPA and Devon Motorcycles, Inc., of King of Prussia, Pennsylvania, entered into an administrative settlement agreement that required Devon Motorcycles, Inc., to pay a civil penalty of \$5,000 for importing 48 uncertified, off-highway motorcycles. U.S. Customs and Border Protection seized the motorcycles on January 17, 2006 at the port of Savannah, Georgia. Devon Motorcycles, Inc., was required to export or destroy all motorcycles.

### *Puerto Rico*

- **CASCO Sales Company, Inc:** CASCO Sales Company, Inc., was required to pay a civil penalty of \$35,000 for importing 33 generators containing nonroad diesel engines into the port of San Juan, Puerto Rico, in August and September 2006. Six of these engines were uncertified; the remainder bore EPA emissions control information labels that could be removed without being destroyed or defaced. In the settlement agreement, CASCO Sales Company, Inc., was required to export or destroy the six uncertified engines, and in lieu of exporting or destroying the other 27 engines, install new labels that meet EPA requirements under the supervision of a licensed observer.
- **Vidal Trading Company, LLC:** Vidal Trading Company, LLC was required to pay a civil penalty of \$34,200 for importing 80 uncertified diesel generators into the port of San Juan, Puerto Rico in January 2007. In the settlement agreement, Vidal Trading Company, LLC was required to either destroy the engines or export them outside North and Central America and the Caribbean.
- **AC Emergency Power Systems Corp:** AC Emergency Power Systems Corp., of Guaynabo, Puerto Rico, paid a civil penalty of \$36,000 for importing 25 generators equipped with uncertified and unlabeled engines. The engines had neither the correct EPA emissions control information labels nor a label indicating that the generators were for stationary use only. U.S. Customs and Border Protection seized the engines in November 2006. AC Emergency Power Systems

was required to export the engines outside of the U.S., Canada, or Mexico or destroy the engines.

- **S & R Engineering, S.E.:** On October 12, 2006, EPA and S & R Engineering, S.E. of San Juan, Puerto Rico, entered into an administrative settlement agreement that required S & R Engineering, S.E. to pay a civil penalty of \$21,000 for importing 530 generators and pumps equipped with uncertified and unlabeled engines. U.S. Customs and Border Protection seized the engines on February 1, 2006 at the port of San Juan, Puerto Rico. The engines were required to be exported outside of the North American continent.

### *South Carolina*

- **Eton America, LLC:** Eton America, LLC was required to pay a civil penalty of \$10,000 for importing 102 all terrain vehicles with defective labels in May 2007. In the settlement agreement, Eton America, LLC was required to export or destroy the engines, or in lieu of exporting or destroying the engines, install new labels that meet EPA requirements under the supervision of a licensed observer. EPA also required Eton America, LLC to conduct a root cause analysis to determine the cause of the violations, and undertake corrective action to prevent future violations.
- **List Company, Inc:** List Company, Inc., of Greenville, South Carolina, paid a civil penalty of \$10,700 for importing 282 generators and two chain saws equipped with EPA emissions control information labels that did not meet the regulations' requirements for content and tamper-proofing. List Company, Inc., was required to either export or destroy all pieces of equipment or follow the corrective action procedure to affix new, compliant labels to the engines.
- **Bradley Fanning d/b/a Rims and Things, and R & T Motorsports LLC:** On February 1, 2007, EPA and Bradley Fanning d/b/a Rims and Things, and R & T Motorsports LLC of Greenville, South Carolina entered into an administrative settlement agreement that required Rims and Things to pay a civil penalty of \$12,480 for importing six uncertified automobiles. The importers claimed that they were importing "non-chassis-mounted engines," but they were in fact fully assembled motor vehicles. Under the Clean Air Act motor vehicles must be certified. Due to the absence of certification, the motor vehicles were seized by U.S. Customs and Border Protection in September 2006 at the port in Savannah, Georgia. According to the settlement agreement the vehicles must be exported or destroyed. In addition, the importers were required to submit a compliance assurance plan to EPA to ensure future conformity with the Clean Air Act.
- **ABRO Distribution Services, LLC:** On November 22, 2006, EPA and ABRO Distribution Services, LLC., of Moncks Corner, South Carolina, entered into an administrative settlement agreement that required ABRO Distribution Services, LLC. to pay a civil penalty of \$20,000 for importing 90 motorcycles equipped

with unlabeled and uncertified engines. In July 2006 the motorcycles were imported into the port of Charleston, South Carolina. ABRO Distribution Services, LLC. was required to export or destroy all motorcycles.

### *Texas*

- **Peace Industry Group USA, Inc., A & A Scooter, Inc., and Louis Thomas:** See listing under Georgia.
- **Tiger Truck, LLC:** Tiger Truck, LLC was required to pay a civil penalty of \$30,000 for importing 64 mini vehicles that contained nonroad gasoline engines into the Port of Dallas, Texas in July 2007. The Subject Engines did not bear the EPA emissions control information labels required by 40 C.F.R. § 90.114. In the settlement agreement, Tiger Truck, LLC was required to install new labels that met EPA requirements on these engines under the supervision of a licensed observer or U.S. Customs and Border Protection. In addition, during 2006 and 2007, Tiger Truck, LLC manufactured and sold twelve nonroad vehicles containing nonroad engines designed to operate on E85 fuel; however these engines were not certified to operate on E85 fuel, only unleaded gasoline. Tiger Truck, LLC agreed to amend its certification to include testing data on E85 fuel. E85 fuel is a blend of 85% ethanol and 15% gasoline. In addition, Tiger Truck, LLC will provide test data to EPA demonstrating the maximum horsepower of the engine used to support its engine certification.

### *Washington*

- **David Nelson:** On November 1, 2006, EPA and David Nelson of Takoma, Washington, entered into an administrative settlement agreement that required David Nelson to pay a civil penalty of \$6,000 for importing 17 uncertified motor vehicles. U.S. Customs and Border Protection seized the motor vehicles in August 2006 at the port of Portland, Oregon. Mr. Nelson was required to export the vehicles outside of the North American continent.

### *Wisconsin*

- **Generac Power Systems, Inc:** Generac Power Systems, Inc., was required to pay a civil penalty of \$79,000 for importing 128 nonroad gasoline engines missing certain required labels into the port of Rosemont, Illinois in September 2007. Generac Power Systems, Inc., also disclosed information to EPA regarding another shipment of 870 engines with missing labels. In the settlement agreement, Generac Power Systems, Inc., was required to either export or destroy the engines, or install new labels that met EPA requirements under the supervision of a licensed observer. The settlement agreement also requires Generac Power Systems, Inc., to certify the compliance of their gasoline engines above 19 kW for the next two years.

- **Briggs & Stratton Corporation:** Briggs & Stratton Corporation was required to pay a civil penalty of \$130,000 for importing 1,713 nonroad gasoline engines between October 2006 and July 2007 that either did not bear a label or bore a label that was not visible. In the settlement agreement, Briggs & Stratton Corporation was required to export or destroy the engines under the supervision of U.S. Customs and Border Protection.
- **Yanmar America Corporation; CNH America, LLC; and Kobelco Construction Machinery America, LLC:** See listing under Georgia.
- **Isuzu Motors Ltd. and CNH America:** Isuzu Motors Ltd of Tokyo, Japan, and CNH America LLC of Racine, WI paid a civil penalty of \$23,750 for importing four excavators containing engines that were affixed with EPA emissions control information labels that could be detached from the engine without being defaced or destroyed. The engines were seized by U.S. Customs and Border Protection on April 24, 2007 at the port in Savannah, Georgia. Isuzu Motors Ltd and CNH America LLC were required to remove the existing labels and replace them with compliant labels using the procedures described in the settlement agreement.