



THE ASSOCIATION FOR  
**SUSTAINABLE MANUFACTURING**  
Remanufacturing | MRO | Refurbishing



## MEMA-MERA Government Affairs Priorities 2019: REMANUFACTURING (SUSTAINABLE MANUFACTURING)

### Background

Remanufacturing – a key driver of a green, circular economy – represents an important and growing segment of U.S. manufacturing.

Remanufacturing is the standardized industrial process of producing high-quality goods – a second time – by reusing materials and conserving embodied energy in existing products. It is “manufacturing with re-use” – the tried-and-true process of an environmentally-friendly industry that has been around for decades. Examples of remanufactured goods in the motor vehicle industry include: powertrain, steering and suspension components, and electronic control modules.

Different industry sectors use different terms to identify the *remanufacturing process*. That is acceptable, as long as a sector’s term aligns with the USITC definition of “an industrial process that restores end-of-life goods to original working condition or better.” For instance, in the automotive and commercial vehicle sectors, the term is *remanufacturing* itself; in aviation and aerospace, the reference is *maintenance, repair and overhaul (MRO)*; and for consumer goods and electronics, the term is *refurbishing*.

In 2014, the Federal Trade Commission ruled that the term remanufactured should be used only when a product is rebuilt in a factory setting. Recent bilateral trade agreements also recognize the reality by defining remanufactured goods as a unique, third classification, i.e., they are neither new nor used.

In October 2015, President Obama signed legislation requiring federal agencies to encourage the use of remanufactured parts when maintaining federal vehicle fleets. The legislation stemmed from a 2013 Government Accountability Office (GAO) report on the uses and benefits of remanufactured parts.

### Position

MEMA-MERA urges Congress and the Administration to support:

- **Policies that Encourage the Use of Remanufactured Goods.** At the state level, California and Michigan have passed legislation directing state fleet administrators to prioritize the use of remanufactured components as part of their maintenance programs. Similar legislative efforts have taken place in New York and Pennsylvania, and MEMA supports continued expansion of similar programs.
- **Alignment on the Definition of Remanufacturing Across Government Agencies.** The remanufacturing industry – at both the federal and state level – continues to face misperceptions regarding remanufactured goods. For example, while MEMA recognizes the regulatory need for the FDA to identify a process that could negatively modify an existing device, calling it “remanufacturing” contradicts the commonly accepted definition published by the USITC. Alignment on the proper definition will curtail confusion among consumers and advance the U.S. economy and international trade.

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