



SEMA.org -- One of Our Own



By Robert Eckhardt

We have nothing to fear but Washington bureaucrats. That's the way some business owners feel about our elected representatives in Washington. Don't fall into the trap of believing all lawmakers are the same, however. Many believe in the strength of American business. Congressman Darrell Issa who represents parts of Orange and San Diego counties in California is a good example. The freshman congressman established Directed Electronics in 1982. DEI manufactures vehicle security, audio and mobile electronic systems.



The long-time industry supporter shared some insights about walking the line between business and government.

SEMA News (SN): How did you start DEI?

Darrell (DI): I dabbled in several projects before DEI. I did home security and electronic bug sappers. Without a doubt, auto security was simply the one that seemed most natural. I had a love of the automotive business. It sort of all played together and was the one that worked and grew.

I am not allowed to be active in the business today. I still sit on the board, but the day-to-day management really has to be done by people who can focus on that. You can imagine I'm extremely busy dealing with Congressional issues, especially after September 11. I still own a big chunk of the company, though.

SN: You recently attended the Consumer Electronics Show in Las Vegas; what do you see in the future for mobile electronics?

DI: I'm very pleased with the future. When you look at XM radio's launch and people's willingness to redefine one of the oldest mediums at a different level, I see that as a plus. Also, the explosion in auto entertainment video tells me that there's a lot of growth in the future. Like anything else, and SEMA News undoubtedly has reported this before, it's not a question whether there's going to be a huge amount of auto electronics in automobiles. The question is, who will do it? What portion will the factory-fit people do and what portion will the aftermarket companies do? Inevitably, we're going to dramatically increase the role of electronics in the automobile.

I only have 20 years in the automobile business and my father 30 years before me. One thing I know, the struggle between factory-fit and dealer-installed has not changed and will never change. That continues to be a big struggle because of profitability, flexibility and liability. There's no question the auto companies design products differently because of their perceived risk and



This Hummer is a recruiting tool at public events. Congressman Issa watches while the National Guard checks the rig's sound system.

vulnerability.

SN: Why did you go into politics?

DI: That is an evolution answer. I was always opinionated and strongly believed how the government should work and what role the private sector should take. Really, it was a transition. I got involved in what was then known as the Vehicle Security Association (VSA). It became the Car Audio Specialists Association (CASA). Then we changed names, and it became the Mobile Electronics Association. Then it merged into what is now the Consumer Electronics Association. I had the good fortune of being the chairman when we merged with CASA and the chairman of the combined association when we merged with Electronic Industries Association.

Throughout this more than 10 years, part of my role in industry leadership was going to Washington D.C. and making our case on issues pertinent to our associations' membership. That led me down the path of political activism. By the '90s I was testifying before Congress on the North American Free Trade Act (NAFTA). I then went on to be active in presidential campaigns and ended up being a delegate at two national conventions. Finally, enough people said, you're doing so much, are you ever going to run for office?

When Senator [Barbara] Boxer's reelection came up, I was active in trying to get her replaced. Perhaps it was my ego and perhaps just my desire to get her out of office, but I ultimately ran for the Senate and lost. However, that positioned me for the run for the House of Representatives.

SN: You serve on the Committee on Small Business, the House International Relations Committee and the House Judiciary Committee. You are also a member of the Congressional Automotive, Performance and Motorsports Caucus. Why did you join the caucus and what benefits can the industry derive?

DI: As far as I know, I'm the only member who has had an Indy Car race team and a Busch team. I have some motorsports experience, mostly sponsorship. I attend races and have a good understanding of the good that motorsports does in designing better, safer and more reliable automobiles. The short answer is first-hand experience.

The members of the caucus have a lot of effect on trying to make legislation sensible. Not the least of which is the endless theory that government should mandate automobiles' gas mileage without looking at the other side. Government loves to mandate what sounds like a great idea, but they always forget there's a cost. Yes, we can make the cars lighter, but we will need to pay a lot more for it, or we'll have less safe cars.

There are some in the Congress who don't care, but our caucus spends a lot of time pointing out that when you want to achieve something, you have to be willing to give something up. To a point, cost needs to be reasonable to achieve the goal. Then, at some point it becomes outrageous. We try to strike a balance of improvement without the cost becoming outrageous.

SN: What have you learned from your business experience that you have been able to transfer to being a Congressman?



While on active duty, this Hummer was equipped with an automatic weapon. It retains bulletproof windows, space for extra fuel tanks and a six-cylinder turbo engine.

DI: I bring my business experience to the process, and I often give the business perspective to my colleagues. This may not surprise you, but the Congress quickly becomes cynical about people testifying on the other side of the dais. Therefore, when business people say something, I can support it from my business experience. Sometimes, it's just amplifying or fortifying what we're hearing.

In business and government the processes are very different. A lot of what you do in government or for that matter in trade associations does not translate. I have had to adjust to that. In business you look for the win-win. In government it's hard to find people who are willing to look at those win-win situations, but we have had some success.

SN: What have you learned in Washington that you can pass on to business owners?

DI: Probably the most important one that I would say to everybody is do not look at Washington as a place to parachute into when there's an emergency. People who do that are not effective. When something threatens your industry and you all flock in, you are not successful, as a general rule. The organizations that are successful on either side of the aisle, I don't care if it is pro-environment, the mining industry, the NRA or the National Organization for Woman, they all have consistency of engagement. Those are the effective groups.

That's a lesson that's hard to learn. You develop an awareness by Congress over a long period of time. That way when there's a challenge, you don't have to try to get acquainted. That's why organizations maintain a lobbying presence in Washington. They have that constant contact.



Congressman Issa speaks with Major E. Young (center) and Sgt. A. Malek on the streets of Washington D.C.

I tell the business community to get involved with the association that represents you and get involved by personally visiting your representative. Use that opportunity to become aware of your industry and its needs. The process works pretty well when you develop that relationship over time for your industry. Trade associations including SEMA have that longevity.

My message to the aftermarket is to do more than just write a check. It's a matter of when you're in or near Washington to follow through because it really makes a difference. It's very effective. I think every member of Congress you talk to would tell you the same thing.

SN: The national scrappage bill, S. 1766, Section 803 is an important issue to the automotive specialty equipment industry. What are the best ways to defeat it?

DI: I want to propose or at least make people aware that alternatives exist and that the cost of the alternatives are high. Letter writing campaigns do have an effect. Many of these letters are form letters. In addition, people are sending more e-mails. E-mails are totally worthless because it's too easy to generate millions of them. The large numbers do not impress us any more.

However, making a call to the district office back home is extremely effective. A personal phone call by a CEO, who says he wants to talk to the congressman about such and such, is important. Usually, you can't talk directly to the congressman, but ask to talk to whoever is appropriate about that subject. Ten or 15 minutes with a staffer in a personal phone call is the most valuable way to make sure a human being is likely to mention to the representative the concern you have. It's more effective than anything else.

When you're down to a crunch on a specific bill, a phone call can be effective. A human has to listen when you talk. A letter sometimes is handled by the lowest level of intern. It's good to call any congressman, but when you can call your district office and say I live in your

district, and I would like to talk to the congressman, that's the best. Twenty percent of the people who make that call will get through and have a short conversation with the congressional representative on the issue.

SN: You have made a number of trips to the Middle East. SEMA is trying to expand the industry's opportunities to do more exporting business. How can the government help this process?

DI: I would be glad at some time to be in front of a SEMA group to give them specific pointers. Many assets are available that businesses do not use to help to get their exports started. For instance, there is the specific country's embassy and the Department of Commerce.

On my trips I'm always quick to say that I'm an unabashed free trader. I tell that to each leader because I say it's a two-way street. I explain that part of a good relationship is a willingness to ensure that our products are welcome and that there are no artificial barriers placed on them.

The Middle East tends to be pretty good on that. If they have tariffs, they're very uniform. Most of them do not have a different standard for the United States versus some other areas, which is the most you can ask for. Countries like Syria want to purchase from us, but tariffs are only one of two ways they have to raise tax revenues to run the country. That economy has not modernized enough to collect taxes in some other feasible way.

SN: A grand jury recently indicted two members of the Jewish Defense League on a conspiracy to blow up a mosque and your district office. Do you have any comment on the indictment?

DI: I am quite pleased that there's a message sent to the entire Arab world. They usually think and talk about the sense of double standards. There's a common perception that America somehow favors Israel over other nations in the region. I think that the arrest of prominent Jewish people when they were reportedly doing something wrong or conspiring to do something wrong, should send a loud message that America does not play favorites. We oppose terrorism and unlawfulness anywhere. Whether you are an Arab-American or of Arab-American descent or a Jewish-American, you're going to be treated equally by the law, and it's going to be enforced.



"Can I get the keys?" Issa poses with the Hummer.

Source

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