

CL-10316475-6407
APR 1 2 2011

[REDACTED]
Westwood, MA [REDACTED]
[REDACTED]

April 4, 2011

Smart USA Corporate Headquarters
1765 Telegraph Road
Bloomfield Hills, MI 48302

RE: Troubling Failures on VIN # WMEEJ31X18K [REDACTED]

Dear Sir/Madame:

I am writing today to formally bring to your attention two obscure failures that occurred with my 2008 Smart. I believe both issues were present prior to the expiration of the warranty. These issues appear to have been either improperly diagnosed while in warranty or a manufacturing/metal fatigue issue not resulting from normal wear and tare. I am also requesting a reasonable remedy from Smart USA for these failures.

The first issue I bring to your attention is the failure of the speed sensor unit (A-451-542-06-18). I believe that this issue was first raised on 7/28/08 (invoice # sccs217495). While at a stop, the vehicle's clutch remained engaged for an unusually long period of time before disengaging and releasing pressure causing the rear of the vehicle to squat. I was told that that was the normal functioning of the vehicle. However, when the sensor was replaced after its failure, the vehicle displayed significantly different characteristics at stops by disengaging the clutch immediately and not continuing to "ride" the clutch while stopped for several seconds before disengaging. I deduce that the "riding" behavior was a result of the initial failing of the sensor and not normal functioning. I am glad that the problem has been finally addressed, however, I have serious concerns on the impact that the failure had on the vehicle's clutch wear for the 24,000 miles driven with the misdiagnosed malfunction.

The second issue I bring to your attention is the obscure failure of the axle bolt that secures it to the hub. Though I have no specific proof that this was a pre-warranty expiration issue, I am *extremely* concerned if it is *not* a manufacturing error. It is understandable that the torque settings may have been in error. If that was not the case, and since there has been no maintenance since manufacture done on that part of the vehicle that would be reason to remove and replace that bolt, the only explanation for the failure is a flawed bolt. It is not reasonable to expect an in-specification axle bolt to fail and shear during normal operation of the vehicle. This issues raises significant safety concerns should the failure not be a result of an in-warranty manufacturing error.

NAH
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TZW

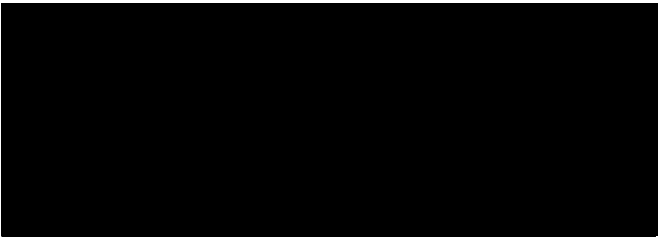
As a remedy to these issues I respectfully request that Smart USA offer the following:

1. Reimbursement of out of pocket costs for the 3/23/11 service (sccs452379) to replace the Speed Sensor Unit in the amount of \$181.95
2. Extend the warrant on the vehicle's clutch and associated labor to 100,000 miles or replace the clutch at no cost.
3. Reimbursement of out of pocket costs for the 3/31/11 service (sccs452388) to replace the sheared axle bolt in the amount of \$265.41

It would be a generous act should the 3/15/11 diagnostic charges for service (sccs452364) in the amount of \$99 also be reimbursed.

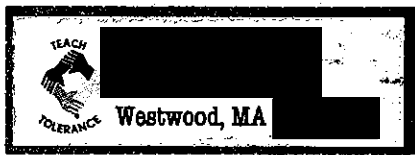
While I have been a long-time advocate and champion of the Smart brand, having made many formal requests that the car be imported, reserved and purchased one of the first US bound vehicles, and promoted the virtues of the Smart to countless interested strangers, I am saddened by my waning confidence in both my vehicle and more importantly, the brand. My remaining glimmer of hope and respect for Smart at this point rests solely on the shoulders of the Warwick Smart Center and specifically the outstanding service professional Brett Ferrucci who single handedly is responsible for my not towing the vehicle into a Toyota dealer for its replacement with a different vehicle with an extensive, confidence building warranty. I understand that both manufacturing and diagnostic failures are bound to occur. However, the way in which these failures are addressed have a profound effect on outcomes and the ultimate perception that remain with the customer. I hope that Smart USA both values and appreciates its customers and especially early advocates by acting accordingly to repair this owner's failure in product and brand confidence.

I respectfully request your prompt reply to this letter. The specifics of your reply will have an enormous impact on my perception of the Smart brand as well as the specifics of my reply to the 2011 Consumer Reports Annual Questionnaire.



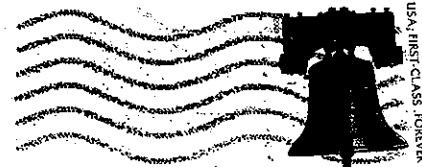
CC: **smart center Warwick**
1557 Bald Hill Road 2nd Floor
Warwick, RI 02886
attention: Brett Ferrucci

U.S. Department of Transportation
NHTSA – Consumer Complaints
1200 New Jersey Ave, SE
Washington, DC 20590



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