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[Redacted]

[Redacted] Insurance Professional

[Redacted]

Cleveland, Ohio [Redacted]

Fax: [Redacted]

May 3, 2010

Randy Reid, Chief
Correspondence Research Division
U.S. Department of Transportation
National Highway Traffic Safety
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Dear Mr. Reid:

Thanks for your follow-up letter of April 20, 2010. Normally, I would not involve the manufacturer and just repair the vehicle, but I have complained about this problem for many years and I truly feel Volkswagen has at least some responsibility.

I owned two airlines and my biggest concern was that of safety of my planes, and I feel the same about cars. I sit on our state's Vision for 21st Century Transportation and our ODOT Director is a very close friend, so safe transportation is part of my DNA.

I am enclosing the latest correspondence with Volkswagen and sharing my concerns to other Phaeton owners.

If I were Mr. Cruse, of Volkswagen of America, I would have taken the time to contact me by phone to talk over the problem. That was the approach the Service Manager at Gunther suggested. If Mr. Cruse or any viable representative from Volkswagen showed me why I was wrong in my approach, that would have ended wasted letters and others' time.

Very truly yours,

[Redacted Signature]

MAY 24 2010

Encl.
CC: James Cruse, VW of America
Gunther VW of Plantation
Richard Cordray, Attorney Genera.

ET
060710
TGW

Subj: PHAETON W12 - VW Vortex forum / transmission discussions and bulletin attached
 Date: 4/8/2010 9:55:21 AM Eastern Daylight Time
 From: Ron@lukebrown.com
 To: [REDACTED]

Hi [REDACTED]

Sorry for the delay in getting this information to you. I enjoyed meeting Gayle the other day and speaking with you yesterday. As you can tell I am a Phaeton fanatic and love talking about our cars. Attached please find a copy of the W12 transmission fluid change bulletin that VW sent out about 2 years ago to many W12 owners, recommending changing the fluid every 20,000 miles instead of treating it as "lifetime" fluid.

First, a disclaimer: The Phaeton VW Vortex forum has been a tremendous source of valuable information and insight into our rare vehicles, and I probably wouldn't have bought my car without having first stumbled upon it and poring over it for weeks. Also, without the forum I wouldn't understand many of the idiosyncrasies of the car, and would otherwise often think something is broken, when in fact it's just a matter of knowing some trick that the manual never explained well. However, that being said, I have also encountered misinformation that has sometimes caused me to jump to incorrect conclusions about issues with my car. There have been several times that the guys at Gunther have proven that the forum was wrong, so please do not take what you read as gospel.

Ok, below you will find links to various pages within the forum that I think you will find of interest. Just click the links and start reading! If you have any questions or comments, don't hesitate to call me.

Phaeton VW Vortex forum:

W12 transmission discussions (may or may not be relevant to your issue):

<http://forums.vwvortex.com/zerothread?id=2350305>

<http://forums.vwvortex.com/zerothread?id=2841889>

<http://forums.vwvortex.com/zerothread?id=2967745>

<http://forums.vwvortex.com/zerothread?id=4707080>

<http://forums.vwvortex.com/zerothread?id=4625953>

Table of Contents:

<http://forums.vwvortex.com/zerothread?id=1652232>

Continually updated active topics of discussion:

<http://forums.vwvortex.com/zeroforum?id=112>

Best regards,
 Ron



Ron Morgenstein
 Luke Brown Yachts
 Fort Lauderdale office
 Direct phone: 954-456-7933
 Mobile phone: 954-383-4060
 Email: ron@lukebrown.com
 Web: www.lukebrown.com

1500 Cordova Rd # 200

FL 33316



[REDACTED]
Beachwood, OH [REDACTED]

James Cruse Name
Sr. Analyst Title
Mediation/Arbitration Department
248-754-3787 Phone
248-754-6504 Fax
james.cruse@vw.com E-Mail

RE: 2004 Volkswagen Phaeton
Case: 100144941
VIN: WVAH63D448 [REDACTED]

April 9, 2010 Date

Dear [REDACTED]

This will acknowledge receipt and response to your correspondence dated March 29, 2010 regarding your 2004 Phaeton Volkswagen. We sincerely apologize for any service-related difficulties you may have experienced with your vehicle.

Volkswagen of America, Inc.
Customer CARE
3499 West Hamlin Rd.
Rochester Hills, MI 48309
Phone +1 800 822 8987
Fax +1 248 754 6504
www.vw.com

Each customer situation is evaluated on an individual basis with consideration given to many factors such as service history, the vehicle's age and mileage, compliance with our scheduled maintenance requirements, type of repairs, and applicable state statutes. Taking this information into consideration, Volkswagen of America, Inc. ("Volkswagen"), an organizational unit of Volkswagen Group of America, Inc., has determined that the situation does not merit repair assistance.

Please be assured that Volkswagen takes a broad and liberal view when helping owners to be satisfied with their Volkswagen driving experience but we are not able to assist in all cases.

We appreciate your taking the time to write.

Sincerely,

James Cruse
Volkswagen of America
Mediation/Arbitration Analyst



U.S. Department
of Transportation
**National Highway
Traffic Safety
Administration**

1200 New Jersey Avenue SE.
Washington, DC 20590

April 20, 2010

[REDACTED]

Solon, OH [REDACTED]

Dear [REDACTED]

NVS-216 et
Ref No. 10323136

Thank you for your correspondence that was received by the National Highway Traffic Safety Administration (NHTSA), Office of Defects Investigation (ODI) concerning your model year 2004 Volkswagen Phaeton vehicle. In order to respond to the overwhelming number of letters received by ODI, we are answering you with this form letter.

NHTSA is the Federal agency responsible for improving safety on our Nation's highways. We are authorized to order manufacturers to recall and repair motor vehicles or items of motor vehicle equipment when our investigations indicate that they contain serious safety defects in their design, construction, or performance. We also monitor the adequacy of manufacturers' recall campaigns. In order for the agency to initiate an investigation, sufficient data must exist to warrant the expenditure of agency resources. We cannot act on isolated problems or resolve disputes between individual owners, dealers, or manufacturers.

If your letter concerned a problem you encountered with a motor vehicle or item of motor vehicle equipment, we appreciate the report you provided. Reports from motorists are a very important source of information for us. The information you provided will be reviewed and entered into our database. It will be considered with other reports to identify recall inadequacies or safety-related defect trends that require our attention. Enclosed is a booklet that describes the process your report goes through in determining whether an investigation should be initiated.

If your letter is requesting motor vehicle or motor vehicle equipment information, we recommend that you visit our Internet web site at www.safercar.gov. This site provides information concerning motor vehicle recalls, manufacturers' service bulletins, complaints from vehicle owners, etc. You may also contact our toll-free DOT Auto Safety Hotline (Hotline) at 1-888-DASH-2-DOT (1-888-327-4236). One of our representatives may be able to assist you on

★★★★★
NHTSA
www.nhtsa.gov

matters concerning motor vehicle and motor vehicle equipment safety recalls or to report an alleged safety problem. You can also request safety information. If our telephones are busy, or you call during non-working hours, you can leave your name, telephone number, and a short subject on our recording system. A Hotline representative will return your call.

If your letter concerns a service problem or request for reimbursement, this type of complaint does not fall under our jurisdiction. If you have not done so, you may consider contacting your local Consumer Protection Agency, Better Business Bureau, and the Office of Attorney General in your State regarding your problem(s) or request. You have certain rights under your State's Lemon Law. You may also ask your dealership for a meeting with the manufacturer's district manager regarding your problem or request.

The Federal Trade Commission (FTC) has jurisdiction over non-safety defects, paint, fraud or deception, warranty and dealership problems, remuneration matters, and fair trade practices. There are three ways you can contact the FTC: by toll free telephone at 1-877-FTC-HELP (1-877-382-4357); by mail at Federal Trade Commission, CRC-240, Washington, DC 20580; and by using the Internet complaint form at <http://www.ftc.gov/ftc/complaint.htm>.

Sincerely,



Randy Reid, Chief
Correspondence Research Division
Office of Defects Investigation
Enforcement

Enclosure

[REDACTED]
[REDACTED] Insurance Professional [REDACTED]

Cleveland, Ohio [REDACTED]

Fax: [REDACTED]

April 30, 2010

James Cruse
Volkswagen of America, Inc.
Customer Care
3499 West Hamlin Road
Rochester Hills, MI 48309

Dear James:

Sorry it took me so long to respond to your April 9, 2010 letter. I just returned to my home in Cleveland from Florida.

I was advised by the Service Manager at Gunther V.W. in Ft. Lauderdale that with the internal leak in my torque converter it was advisable not to drive the car home, so I trucked it to Ohio for \$600 and flew home with my wife.

Mr. Gonzales, Service Manager at Gunther, told me that he could not understand why Volkswagen did not approve fixing the converter, since I have complained about the problem since I purchased the car, which was under warranty for two more years. The problem was there from day one. I had two car experts drive the car and both said it was a dangerous condition. One of them has 38 high volume high performance cars; two of which are the Porsche GT's that cost about \$500,000 each. He also has six other Porsches, one that can burn 120-octane fuel, which he stores that fuel at his boat yard in Florida.

It is quite clear that you do not have a "broad and liberal view" to satisfy VW owners, even though I really like the VW CC for my wife's next one. She has the Lexus 350.

I also got a letter from Gunther that was recommending transmission service, and that never happened. The car was stated to have a lifetime transmission without service and I was never told otherwise. And, I never got your fluid changes bulletin. When I called Gunther, they said it was \$650 to do the fluid change, but that was not the problem with my car; it was the torque converter. I told Gunther I will junk the car before paying you for the torque converter, and I notified my insurance carrier and the Ohio Attorney General of this added problem.

If there is another accident due to the converter, it rests on VW's back, not mine. It already caused almost \$3,300 for damage repair due to the hesitation of the car. Safety should be your biggest concern. It sure is for Lexus, which handled my wife's car's problems in a very professional way.

Enclosed is additional information.

Very truly yours,

A black rectangular redaction box covering the signature of the sender.

CC: Ron Morgenstein
Richard Cordray, Atty. General
Gunther VW of Plantation



NVS-200

W48-308

Bm

[Redacted]

[Redacted]

Cleveland, Ohio [Redacted]

Randy Reid, Chief
Correspondence Research Division
U.S. Department of Transportation
National Highway Traffic Safety
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

