Keiko Utsunomiya Assistant Director Japan Auto Parts Industries Association C/o JETRO Chicago 401 N. Michigan Ave. Suite 660 Chicago, IL 60611

Re: Request for Interpretation

Dear Ms. Utsunomiya:

This is in reply to your e-mail letter of November 18, 2003, to Mr. Jonathan White of the National Highway Traffic Safety Administration's (NHTSA) Office of Defects Investigations requesting a clarification of several requirements of NHTSA's regulation on reporting of information and communications about potential defects, 49 CFR Part 579.

In your e-mail to Mr. White, you asked whether a supplier has an obligation to report under the following scenario:

Supplier C manufacturers part X for automaker A and B. OEM A received a claim of a fatal accident in relation to a possible defect on X, and recalled vehicles with X. But, OEM A does NOT sell cars in the U.S., so they did not report to NHTSA on the claim and the subsequent recall. OEM B sells cars with X, but has not receive[d] claims on X.

You also stated that your understanding of the above hypothetical is that supplier C does have an obligation to report to NHTSA and requested that we provide you with the legal authority to require that report.

Your question is unclear as to what you understand supplier C needs to report to NHTSA. Based upon the facts in the hypothetical you present, it appears that you pose two questions. First, does a supplier of motor vehicle equipment have an obligation to report a recall campaign that is conducted by a vehicle manufacturer who does not sell motor vehicles in the United States? Pursuant to Subpart B of 49 CFR Part 579, supplier C would not have an obligation to report the recall of the vehicles with part X to NHTSA because

OEM A, not supplier C, determined that a safety-related defect existed in part X. <u>See</u> 49 CFR 579.11. In addition, since a foreign government did not require supplier C to conduct a safety-related recall, supplier C is not obligated to report the recall. <u>See</u> 49 CFR 579.12.

Second, does a supplier of motor vehicle equipment have to report a claim of a fatal accident received by a vehicle manufacturer who does not sell motor vehicles in the United States? Pursuant to Subpart C of 49 CFR Part 579, supplier C does not have an obligation to report the fatality claim, since the claim was made against and received by OEM A. See 49 CFR 579.27(b).

If you have any questions, you may phone Andrew DiMarsico of my staff at (202) 366-5263.

Sincerely,

Sacqueline Glassman

Chief Counsel