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August 16, 1999

Mr. Jonathan D. White
Chief, Recall Analysis Division
Office of Defects Investigation
National Highway Traffic Safety Administration
400 Seventh Street, S.W., Room 5319
Washington, DC 20590

Re: NSA-11ntn; RQ 99-014

Dear Mr. White:

This letter and accompanying materials are Holiday Rambler's responses to your letter of June 30, 1999, in accordance with the Company's commitments and your discussion with Mr. Lawrence Henneberger, our outside counsel.

We appreciate the Office of Defect Investigation's (ODI) agreement to modify our submission, and believe that the responsive information provided in this letter and accompanying documentation confirms that the 1996 31 CFS Aluma-Life Travel Trailers perform in a stable manner in service.

Discussion of Consumer Complaints

We note that the two consumer complaints you have referenced, alleging a crash due to trailer instability, both are matters that are or were in litigation. In the Pecoraro suit, plaintiffs' witness list included three members of the ODI management and staff (see Appendix "C-3 (a)"), and we reasonably anticipate that counsel in the Firmin litigation (the second matter referenced in your June 30 letter) may pursue a similar course on or before the October 1999 date for witness disclosure.

In the [REDACTED] suit, which has been settled, plaintiffs admitted that the independent dealer from whom they had purchased their trailer had cut both of the retention bolts on the trailer frame rail and that the accident occurred as a result of these cut bolts. (See Appendix "C-3"). As a result, the dealer involved paid a substantial portion of the settlement.

In the [REDACTED] case, which is tentatively scheduled for trial late this year, there is evidence that the trailer as loaded significantly exceeded the maximum towing capacity of the towing vehicle. Further, the driver involved may have been

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Inexperienced in towing trailers, although there is conflicting evidence addressing this issue. There is also some evidence that the accident was initiated by the towed vehicle's striking a pile of asphalt being used by a road maintenance crew. These points should be carefully considered in the context of the additional fact that the [REDACTED] plaintiffs' insurance company disposed of both the tow vehicle and trailer before Holiday Rambler was even advised of the incident. (See Appendix "C-4").

These cases must be contrasted with the in-service performance of the approximately 250, 1996 31 CFS Aluma-Lite Travel Trailers produced. These continue to operate in a stable manner, as borne out by a near total lack of other reported incidents (see Appendix "D").

Holiday Rambler believes that the record amply demonstrates that there is no safety defect present in its 1996 31 CFS Travel Trailer population. Indeed, the record confirms that there is no defect trend of any nature present, whether or not safety-related.

Responses to Recall Query

The following are our responses to query numbers one, two, four (d), five, seven and eleven pursuant to the agreement our outside counsel, Lawrence Henneberger, and you made addressing our submissions:

Query Number One: State the total number of all 31-foot 1995 through 1996 Holiday Rambler trailers, sold in the United States, by model, model year and the type of trailer hitch.

Response:

The Aluma-Lite and Aluma-Lite Custom CFS floorplan travel trailer were the only 31 foot Holiday Rambler travel trailer produced in and/or sold for model years 1995 and 1996. Sales Brochures describing and depicting the 1995 and 1996 model year 31CFS Aluma-Lite and Aluma-Lite Custom Travel Trailers are attached as appendix "A".

A total of four hundred fifty-three (453) 1995 model year 31CFS Aluma-Lite and Aluma-Lite Custom Travel Trailers were sold. The source of the information is from Holiday Rambler's records and the information was last updated the week of August 2, 1999.

A total of two hundred fifty three (253) 1996 model year 31CFS Aluma-Lite and Aluma-Lite Custom Travel Trailers were sold. The source of the information is from Holiday Rambler's records and the information was last updated the week of August 2, 1999.

Holiday Rambler does not make or sell trailer hitches. The sale and installation of the Hensley Arrow hitch in relation to the 1994 model year 35CSSO and 1995 model year 35WCS trailers were part of the recall campaign.

Query Number Two: Provide an engineering drawing or schematic and specifications of the factory recommended trailer hitch(es) for the subject trailers and the Hensley Arrow hitch.

Response:

Holiday Rambler did not and does not currently recommend the use of a specific brand of trailer hitch. Additionally, Holiday Rambler does not have possession of any engineering drawing or schematic and specifications of any trailer hitch(es), including the Hensley Arrow Hitch that was a component part used in the recall campaign of the 1994 model year 35 CSSO and 1995 model year 35WCS travel trailers.

The 1995 model year and/or the 1996 model year Aluma-Lite and Aluma-Lite Custom 31CFS Travel Trailer Owner's Manual, provide:

"A frame equalizing hitch is the only type we recommend."

"Your hitch should meet the SAE standards..."

"Ask your dealer for assistance", or "consult your dealer for help in selecting your vehicle, hitch and related hitching accessories."

Also, the coupler on the trailer indicates a Class 4 hitch is required. The Owner's Manual refers the owner to this information.

Attached, as appendix "B", is a copy of excerpts from the Owner's Manuals for model year 1995 and 1996 that reflect these notifications/recommendations.

Query Number four (d): Furnish the number and copies of all reports related to each of the following:

- (d) lawsuits, both pending and closed, in which Holiday Rambler is or was a defendant (or codefendant), or of which Holiday Rambler is otherwise aware.

This includes all those that have occurred or may have occurred, due to circumstances, conditions, or problems caused by the alleged defect in the subject trailers. Provide a brief synopsis of each case including Holiday Rambler's analysis of the alleged incident, a description of any injuries and property damage involved, the identification of the trailer (model, model year and VIN), and the trailer owner (name and address). Identify all parties involved in each lawsuit and arbitration proceeding, including the caption, court, docket number, filing date, nature of the claim(s) as related to the alleged defect and the final disposition, if any...

Response:

Attached, as appendices "C-1" and "C-6", is a listing of lawsuits involving 1996 31CFS Aluma-Lite Travel Trailers and 1995 model year 31CFS Aluma-Lite Travel Trailers, respectively, that identifies all parties involved in each lawsuit, the caption, court, docket number, filing date, and nature of the claim. The source of the information is from Holiday Rambler's records and the information was last updated the week of August 2, 1999.

There have been no arbitration proceedings involving a 1995 or 1996 model year 31CFS Aluma-Lite Travel Trailer, where the alleged defect supposedly created or caused a pronounced "yaw" or "sway" of the travel trailer.

With respect to the lawsuits involving 1996 model year 31CFS Aluma-Lite Travel Trailers, as identified by appendix "C-1", we have attached, as appendices "C-3 through "C-5", letters from local counsel that provide a brief synopsis of each of the three lawsuits identified.

We are of the opinion that the three incidents identified involving 1996 Aluma-Lite 31CFS Travel Trailers were not caused by a manufacturing defect for the following reasons:

- (1) In vs. Holiday Rambler the Plaintiffs admitted, in response to a request for admission, that the accident occurred as a result of the dealer having cut the retention bolts. Moreover, the Plaintiffs' expert opined that the loss of stability and rollover was the result of the loss of chains, under tension,

related to the cutting of the retention bolts. See Appendix "C-3".

- (2) In vs. Holiday Rambler there is evidence from one of the Plaintiffs, David Warrick, that the trailer began to sway and flipped over only upon hitting a large pile of asphalt. Additionally, according to the National Weather Service there were wind gusts on the day of the accident of up to 30 miles per hour. Further, has testified that she had just passed a large truck when she lost control of the tow vehicle. Additionally, the tow vehicle was rated for towing up to 7,500 lbs. whereas, the unloaded vehicle weight of the 1996 31CFS Aluma-Lite Travel Trailer was 7,550 lbs. See Appendix "C-4"
- (3) In vs. Holiday Rambler neither the Plaintiffs themselves nor their expert witness identified a defect in the 1996 31CFS Aluma-Lite Travel Trailer. More importantly, testified in a deposition that the cause of the accident was the installation of the hitch by the selling dealer. See Appendix "C-5". This lawsuit was settled for a nominal amount prior to trial.

Attached, as Appendices "C-2" and "C-7" is a summary that describes the disposition of each lawsuit identified in appendices "C-1" and "C-6". The source of the information is from Holiday Rambler's records and the information was last updated the week of August 2, 1999.

Attached, as Appendices "C-1(a)" through "C-1(c)", are copies of police reports for the three lawsuits involving 1996 model year 31CFS Aluma-Lite Travel Trailers. The source of the information is from Holiday Rambler's records and the information was last updated the week of August 2, 1999.

Query Number Five: Furnish a summary incident table of all known or reported incidents pertaining to the alleged defect in the subject trailers, identifying the owner's name, model, model year, type of trailer hitch, and VIN of the trailer, the trailer build date, the date of the incident (the date of the report if the incident date is unknown), the state or territory of the US in which the trailer was registered at the time of the incident, and a brief description of any injuries associated with the incident. The table should be arranged in ascending alphabetical order according to the trailer owner's (private or commercial) last name. If Holiday Rambler has developed or is developing a

similar table that contains additional information, please include that additional information in Holiday Rambler's response. Also, provide a copy of the table in Lotus or Excel format.

Response:

Attached, as Appendix "D", is a matrix identifying all known or reported incidents involving 1995 model year and 1996 model year 31CFS Aluma-Lite Travel Trailers. The matrix identifies the name of the owner, model, model year, type of trailer hitch (if known), VIN of the trailer, the trailer build date, the date of the incident, the state in which the trailer was registered at the time of the incident and a brief description of the injury(ies) associated with the incident. The source of the information is from Holiday Rambler's records and the information was last updated the week of August 2, 1999.

Attached is a disk that contains the matrix in Excel format.

Attached, within Appendix "E", is a copy of a similar but not identical matrix that was previously provided to NHTSA.

Attached as Appendix "F" is a copy of a similar but not identical matrix provided to the Plaintiffs in the Firmin lawsuit. The difference between the two matrices is that Appendix "F" contains warranty complaints in addition to "incidents".

Query Number Seven: Furnish a copy of each service, warranty, or technical document(s) Holiday Rambler has prepared, including (but not limited to), bulletins, advisories, informational documents, training documents, brochures, or other communications, that were sent to dealers, regional or zone offices, or field offices, or were sent to any such entities or offices, related to the following:

- (a) the alleged defect in the subject trailers; or
- (b) a similar potential defect in other Holiday Rambler trailers with the same, or substantially the same, trailer hitch as the subject trailers.

Response:

Attached, as Appendix "E", is a copy of recall materials that were sent to dealerships and/or others addressing the 1995 model year 31CFS Aluma-Lite Travel Trailers. It is our position that there is no defect in the 1996 model year 31CFS Aluma-Lite Travel Trailers, and, as a result, we have not sent any materials (including service, warranty or other technical documents) to

our dealers or others refering any such defect. The source of the information is from Holiday Rambler's records.

Holiday Rambler is not aware of any defect that created or made more pronounced a "yaw" or "sway" condition involving any other model year or make/line of travel trailer.

Query Number Eleven: Furnish Holiday Rambler's opinion of the alleged defect in the subject trailer. Please include an assessment of the following:

- (a) the causal or contributory factors which may result in the alleged defect;
- (b) the failure mode;
- (c) the risk to motor trailer safety that it poses;
- (d) the 2 reports included with this inquiry; and,
- (e) no (e) listed;
- (f) Holiday Rambler's rationale for not installing a Hensley Arrow hitch or one with better stability control on 1995 - 1996 31 CFS trailers.

Response:

Holiday Rambler identifies the alleged defect in the 1995 model year trailer, that created and/or made more pronounced a "yaw" or "sway" condition in its August 16, 1995 letter to NHTSA, a September 6, 1995 letter to dealerships and a September 20, 1995 letter addressed to owners. Copies of these letters are attached as Appendix "E".

We are of the opinion that there is no defect in the 1996 model year 31CFS Aluma-Lite Travel Trailers that caused or made more pronounced a "yaw" or "sway" condition.

- (a) The causal or contributory factors in the 1995 model year 31CFS Aluma-Lite Travel Trailers are listed as the "the travel trailer has a rear storage compartment which does not have a specified storage weight limitation and can potentially be overloaded" and "This vehicle was designed with the fresh water tank located at the rear. As a result, the travel trailer can exhibit reduced stability while being towed and may not adequately dampen a sway condition."
- (b) The failure mode on the 1995 model year 31CFS Aluma-Lite Travel Trailers is potential for overload and reduced stability.
- (c) The risk to safety in the 1995 model year 31CFS Aluma-Lite Travel Trailers is a stability condition,

potentially resulting in a loss of control and a vehicle accident.

- (d) The two reports (Pecoraro & Firmin) concern 1996 model year 31CFS Aluma-Lite Travel Trailers. We are of the opinion that there is no defect in the 1996 model year 31CFS Aluma-Lite Travel Trailers. Attached, as Appendices "C-3" and "C-4", are letters from our local counsel in the Pecoraro and Firmin lawsuits that disclose our assessment of these two lawsuits.
- (e) No (e) listed.
- (f) Holiday Rambler's rationale for not installing a Hensley Hitch or one with better stability control on 1995 model year 31CFS Aluma-Lite Travel Trailers is described in the August 16, 1995 letter to NHTSA and the September 6, 1995 letter addressed to dealerships that are within Appendix "E". These letters state: "Because of the unit difference, the Hensley Arrow Hitch is not a required part of the remedy of the 1995 31CFS Aluma-Lite Travel Trailer." The extra four feet of length on the 1994 model year 35CSSO and the 1995 35WCS Travel Trailers (as compared to the 1995 31CFS Aluma-Lite Travel Trailers) is rear of the axles. Accordingly, the instability, potentially induced by the rear fresh water tank or rear overloaded storage compartment on the recalled 1994 model year 35CSSO and the 1995 35WCS Travel Trailers, was more pronounced on these as compared to the recalled 1995 31CFS Aluma-Lite Travel Trailers. Holiday Rambler's rationale for not installing a Hensley Arrow Hitch on 1996 model year 31CFS Aluma-Lite Travel Trailers is identical to the reasoning given for not installing the hitch on the 1995 model year 31CFS Aluma-Lite Travel Trailers.

Holiday Rambler's decision not to install a Hensley Arrow Hitch on 1995 and 1996 model year 31CFS Aluma-Lite Travel Trailers is supported by the fact that the recall fix completed for 1995 model year 31CFS Aluma-Lite Travel Trailers, which was incorporated in the manufacture of the 1996 model year 31CFS Aluma-Lite Travel Trailer, has successfully cured the sway and yaw condition as reflected by the absence of incidents after the recall fix was implemented.

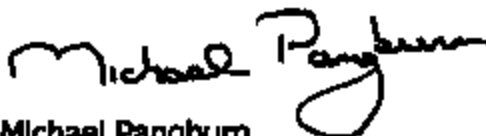
Request for Closure

As discussed in our letter submission and the referenced appendices, the consumer reports received by ODI involve litigation (Pecoraro and Firmin cases) in which the causative factors of the accidents in each case were not related to the performance of the 1996 31 CFS Travel Trailers. The same is true of the remaining case [REDACTED]

The in-service performance of the 1996 31 CFS Alumina-Lite Travel Trailer, based on the several intervening years of experience, provides a solid record of safe operation.

Because there is no unreasonable safety risk involved here, and, indeed, in the absence of any defect trend in the 1996 31 CFS Travel Trailers, Holiday Rambler respectfully requests that this recall query be closed.

Sincerely,



Michael Pangburn
Corporate Counsel

Appendices (A-F)