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March 12, 2004

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BY HAND DELIVERY

Jeffrey L. Quandt, Chief
Vehicle Control Division
Office of Defects Investigation
National Highway Traffic Safety Administration
400 Seventh St., S.W.
Washington, D.C. 20590

Re: ODI Identification Number PE03-058

Dear Mr. Quandt:

This letter is submitted on behalf of Mercedes-Benz USA, LLC ("MBUSA") and its parent company, DaimlerChrysler AG ("DCAG") in response to the Office of Defects Investigation's information request dated January 4, 2004, which was issued in Preliminary Evaluation ("PE") #03-058. As discussed with you and your staff, we are providing below as an initial submission our responses to information request #s 1-4, 6 and 7. Our responses to the remaining requests will follow on or before Monday, March 29, 2004.

Request #1: *State, by model and model year, the number of subject vehicles MBUSA has manufactured for sale or lease in the United States. Separately, for each subject vehicle manufactured to date by MBUSA, state the following:*

- a. *Vehicle identification number (VIN);*
- b. *Make;*
- c. *Model;*
- d. *Model Year;*
- e. *Date of manufacture;*

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- f. *Date warranty coverage commenced; and*
- g. *The State in the United States where the vehicle was originally sold or leased (or delivered for sale or lease).*

Provide the table in Microsoft Access 2000, or a compatible format, entitled "PRODUCTION DATA." See Enclosure 1, Data Collection Disc, for a pre-formatted table which provides further details regarding this submission.

Pursuant to the definition of "subject vehicles" provided in the Agency's information request, the subject vehicle population includes the 1998-2000 model year Mercedes-Benz C, CLK, E, and ML-Class vehicles equipped with M112 and M113 series engines that were specifically identified in your information request. In addition, we have also determined that 1999-2000 model year SL, and 2000 model year S and CL-Class vehicles equipped with M112 and M113 series engines also meet the definition of "subject vehicle" and we have included the requested information regarding those vehicles in this response as well.

As set forth in detail in the following table, MBUSA has imported a total of 421,235 "subject vehicles."

MY 1998 - 2000 VEHICLES WITH M112 AND M113 ENGINES				
MODEL	MY 1998	MY 1999	MY 2000	TOTAL
C-CLASS	10,040	15,451	6,265	31,756
CLK-CLASS	5,265	18,080	18,374	41,719
E-CLASS	40,535	51,153	48,611	140,299
CL-CLASS			1,451	1,451
S-CLASS			41,848	41,848
SL-CLASS		9,205	5,183	14,388
M-CLASS	41,652	52,613	55,509	149,774
TOTAL MY	97,492	146,502	177,241	421,235

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The attached non-confidential compact disk contains a file entitled "ProductionData" which contains the additional detailed information requested in subsections "a"-"g" of Request #1.

Request #2: *State the number of each of the following, received by MBUSA, or of which MBUSA are otherwise aware, which relate to, or may relate to, the alleged defect in the subject vehicles:*

a. Consumer complaints, including those from fleet operators;

MBUSA has received a total of [REDACTED] customer complaints, which may relate to the alleged defect in the subject vehicles.

b. Field reports, including dealer field reports;

MBUSA is continuing to search its files for field reports, and will provide any field reports that may relate to the alleged defect in the subject vehicles with its March 29, 2004 submission.

c. Reports involving a crash, injury, or fatality, based on claims against the manufacturer involving a death or injury, notices received by the manufacturer alleging or proving that a death or injury was caused by a possible defect in a subject vehicle, property damage claims, consumer complaints, or field reports;

MBUSA has received no reports involving a crash, injury or fatality, based on claims involving a death or injury, notices received alleging or proving that a death or injury was caused by a possible defect in a subject vehicle, property damage claims, consumer complaints or field reports.

d. Property damage claims;

MBUSA has received no property damage claims that relate to the alleged defect in the subject vehicles.

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- e. *Third-party arbitration proceedings where MBUSA is or was a party to the arbitration:*

MBUSA has not been notified of any third-party arbitration proceedings where MBUSA is or was a party to the arbitration.

- f. *Lawsuits, both pending and closed, in which MBUSA is or was a defendant or codefendant.*

MBUSA is a party in six lawsuits in which MBUSA has been named a defendant or co-defendant. Most of these lawsuits have been brought under various state Lemon Law statutes, and typically allege breach of warranty or consumer fraud type claims. None of these lawsuits contain allegations of personal injury.

In addition, for items "c" through "f," provide a summary description of the alleged problem and causal and contributing factors and MBUSA's assessment of the problem, with a summary of the significant underlying facts and evidence.

For all reports, claims, notices and lawsuits referenced in items "c"- "f" above, the alleged problem relates to a failure of the subject component. MBUSA's assessment of the problem will be provided in response to Request # 14 of the Agency's information request.

For items "e" and "f," identify the parties to the action, as well as the caption, court, docket number, and date on which the complaint or other document initiating the action was filed.

The six lawsuits were as follows:

- [REDACTED] v. Mercedes-Benz USA, LLC**, Osceola Co. Circuit Ct., FL Case No. CI-03-CI-2305, filed October 10, 2003.

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- [REDACTED] v. Mercedes-Benz USA, Inc., Florida New Motor Vehicle Arbitration Board, Case No. 2001-1093/MIA, request for arbitration filed November 19, 2001.
- [REDACTED] v. Mercedes-Benz of North America, Common Pleas Ct., Philadelphia, PA, Case No. 000491, filed June 30, 2003.
- [REDACTED] v. Mercedes-Benz of Cincinnati, Court of Common Pleas, Hamilton, OH, Case No. A 0304961, filed July 1, 2003.
- [REDACTED] v. Mercedes-Benz of North America, Inc., Florida New Motor Vehicle Arbitration Board, Case No. 1999-1126/FTL, filed in November, 1999.
- [REDACTED] v. Mercedes-Benz USA, LLC, Circuit Court for Miami-Dade Co., Case No. 08-29730, filed December 22, 2003 (Class Action).

Request #3: *Separately, for each item (complaint, report, claim, notice, or matter) within the scope of your response to Request No. 2, state the following information:*

- a. *MBUSA's file number or other identifier used;*
- b. *The category of the item, as identified in Request No. 2 (i.e., consumer complaint, field report, etc.);*
- c. *Vehicle owner or fleet name (and fleet contact person), address, and telephone number;*
- d. *Vehicle's VIN;*
- e. *Vehicle's make, model and model year;*
- f. *Vehicle's mileage at time of incident;*
- g. *Incident date;*
- h. *Report or claim date;*
- i. *Whether a crash is alleged;*
- j. *Whether property damage is alleged;*
- k. *Number of alleged injuries, if any; and*
- l. *Number of alleged fatalities, if any.*

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The enclosed compact disk marked "Confidential" contains a file entitled "osh_osc.xls" that contains the information responsive to items "a" through "h" of this request. With respect to items "i" through "l," as stated above, none of these complaints, claims, notices, or lawsuits contain allegations of crashes, property damage, injuries or fatalities.

Request #4: Produce copies of all documents related to each item within the scope of Request No. 2. Organize the documents separately by category (i.e., consumer complaints, field reports, etc.) and describe the method MBUSA used for organizing the documents.

Attached at Tabs A and B are copies of the documents responsive to Request #4. Tab A contains all consumer complaints, and Tab B contains documents related to pending and closed lawsuits.

Request # 6: Describe in detail the search criteria used by MBUSA to identify the claims identified in response to Request No. 5, including the labor operations, problem codes, part numbers and any other pertinent parameters used. Provide a list of all labor operations, labor operation descriptions, problem codes, and problem code descriptions applicable to the alleged defect in the subject vehicles. State, by make and model year, the terms of the new vehicle warranty coverage offered by MBUSA on the subject vehicles (i.e., the number of months and mileage for which coverage is provided and the vehicle systems that are covered). Describe any extended warranty coverage option(s) that MBUSA offered for the subject vehicles and state by option, model, and model year, the number of vehicles that are covered under each such extended warranty.

MBUSA is identifying the claims responsive to Request #5 by searching its warranty data for all subject vehicles by part number for every instance where the subject component was replaced, regardless of the damage code or operation code specified by the dealers in connection with that replacement.

MBUSA's standard new car warranty coverage on all models and all model years of subject vehicles was for 48 months/50,000 miles from the date of

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manufacture. Extended warranties were not available on 1998 model year vehicles. On model year 1999 and 2000 model year vehicles, an extended warranty was available that was offered in one-year increments, to a maximum of four-years, for a maximum extended warranty of 8 years/100,000 miles from the date of manufacture.

Used vehicles sold under the Starmark program have a standard warranty of 60 months/50,000 miles from the date of manufacture. The Starmark used car warranty could be extended in one-year increments for a total of three additional years, and a maximum of 100,000 miles. Thus, the maximum extended warranty on a used vehicle is 8-years/100,000 miles. There are a total of 150,488 subject vehicles covered by extended warranties. The enclosed non-confidential compact disk includes a listing of each of these vehicles in a file entitled Production_Data_Extended_Wnty_NHTSA.zip.

***Request #7:** Produce copies of all service, warranty, and other documents that relate to, or may relate to, the alleged defect in the subject vehicles, that MBUSA has issued to any dealers, regional or zone offices, field offices, fleet purchasers, or other entities. This includes, but is not limited to, bulletins, advisories, informational documents, training documents, or other documents or communications, with the exception of standard shop manuals. Also include the latest draft copy of any communication that MBUSA is planning to issue within the next 120 days.*

Attached at Tab C are four documents responsive to this request. No field notifications are planned for the next 120 days.

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We are continuing to collect the documents and information responsive to the Agency's remaining requests and will provide them no later than March 29, 2004. In the meantime if you have any questions regarding the material submitted, please do not hesitate to contact me.

Respectfully submitted,



Patrick M. Raher

Attachments