



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

400 Seventh St., S.W.
Washington, D.C. 20590

SEP 05 2006

BY FAX AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Paul Murphy
Director - Regulatory Compliance
Motor Coach Industries
1475 Clarence Avenue
Door 10 NPD
Winnipeg, MB.
|R3T 1T5

NVS214-sjm
RQ06-008

Dear Mr. Murphy:

This is to advise you that the Office of Defects Investigation (ODI) has opened a Recall Query (RQ) concerning cracking tag axle swing arms on certain Model Year 2000-2003 Motor Coach Industries G4500 motor coach/buses.

On October 20, 2003, MCI filed a Notification of Defect (03V-411) to address reported cracks located on the tag axle swing arm where it is connected to the pivot spindle tube. There were reportedly 493 MCI G4500 2000-2003 Motor Coaches involved in this recall. MCI's engineering analysis determined that insufficient weld metal and /or weld penetration noted on the original failed components could result in early stress and fatigue cracks at a weld joining the tag axle to the pivot tube assembly.

MCI determined that a field retrofit consisting of inspecting and re-welding the tag axle swing arm would correct the potential failure. MCI also determined that a small percentage of the arms would not be repairable and would need a full replacement if the cracks were in certain areas on the tag axle arm.

On July 18, 2006, ODI was contacted by a fleet that alleged that they have had three tag axle arms crack and subsequently break in the same area repaired by MCI during this safety recall. This investigation is being opened to examine the effectiveness of the recall, to ascertain if other fleets have had similar incidents after the recall action was completed, and determine if supplemental action is warranted.

The purpose of this letter is to obtain information to evaluate the nature of the problem and its consequences. Accordingly, certain additional information is requested.



VEHICLE SAFETY HOTLINE
888-327-4236

Unless otherwise stated in the text of this letter, the following definitions apply to this information request:

- **Subject Bus(s):** Motor Coach Industries, Inc., G4500 model buses, MY 2000-2003 which were the subject of recall 03V-411.
- **Alleged defect:** any failure, malfunction, cracking or otherwise unsatisfactory performance of the remedy (03V-411) on the tag axle trailing arms of a subject vehicle.
- **MCI: Motor Coach Industries, Inc,** all of its past and present officers and employees, whether assigned to its principal offices or to any of its field or other locations, including all of its divisions, subsidiaries (whether or not incorporated) and affiliated enterprises including, but not limited to, Motor Coach Industries, Inc., and all of their headquarters, regional, zone, and other offices and their employees, and all agents, contractors, consultants, attorneys and law firms and other persons engaged by or under the control of Motor Coach Industries, Inc., (including all business units and persons previously referred to) who are or were involved in any way with any of the following related to the alleged defect in the subject buses:
 - a. Design, analysis, modification, or production;
 - b. Testing, assessment, or evaluation;
 - c. Consideration or recognition of potential or actual defects, reporting, record-keeping and information management (e.g., complaints, field reports, warranty information, part sales) analysis, claims, or lawsuits;
 - d. communications with motor vehicle manufacturers; or
 - e. communication to or from zone representatives, fleets, dealers, or other field locations, including but not limited to people who have the capacity to obtain information from dealers.

In order for my staff to evaluate the alleged defect, certain information is required. Pursuant to 49 U.S.C. § 30166, please provide numbered responses to the following information requests. Please repeat each request verbatim before the response. After the response to each request, identify the source of the information and indicate the last date the source updated the information prior to the preparation of the response. When documents are produced, the documents shall be produced in an identified, organized manner that corresponds with the Information Request letter (including the subparts). When documents are produced and the documents would not, standing alone, be self-explanatory, the production of documents shall be supplemented and accompanied by explanation.

If MCI cannot respond to any specific request or subpart thereof, please state the reason why it is unable to do so. If MCI claims that any document or other information or material responsive to any of the following items need not be divulged to NHTSA because it is privileged or the work product of an attorney, separately, by information request number, for each document or other information or material, state the nature of that information or

material and identify any document in which it is found by date, subject or title, name and position of the person from, and the person to, whom it was sent, and the name and position of any other recipient. MCI must also describe any such privilege that it claims, and explains why MCI believes it applies.

NHTSA requests that MCI provide two hard copies and also provide a copy of its response in a Microsoft Word format on a CD.

1. Provide a table that lists by model year, model, build date and manufacturing location, purchaser name/Fleet, point of contact person, address and telephone, the total number of subject vehicles that MCI has manufactured for sale or lease in the United States. Provide the table in Excel, or a compatible format, entitled, "Response to No. 1, POPULATION."
2. Identify all vehicles to which MCI or any party acting on behalf of MCI, has completed: the proposed remedy for the safety recall, any field inspection, or performed any field retrofit procedure by repair date, make and model, date of sale, owner/fleet name, address, telephone phone number, contact representative, and reason for offering the retrofit. Provide a table in Excel, or a compatible format, entitled, Response No. 2, "Fleet Retrofit."
3. Separately, for each bus, by VIN/owner, identify if the tag axle arms were replaced or welded. If welded, identify by whom the welding was performed and the date of the replacement/welding. Provide a table in Excel, or a compatible format, entitled, Response No. 3, "Repairs Made/ Retrofit".
4. State the total number of each, by calendar year and month and **provide copies** of the following, received by MCI, or of which MCI is otherwise aware, separated by fleets/owner, which relate to, or may relate to, the alleged defect in the subject vehicles:
 - a. Consumer complaints, including those from fleet operators;
 - b. Field reports, including dealer field reports;
 - c. Reports involving any thermal event, 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;
 - d. Property damage claims;
 - e. Third-party arbitration proceedings where MCI is or was a party to the arbitration; and,
 - f. Lawsuits, both pending and closed, in which MCI/purchaser is or was a defendant or codefendant.

Multiple incidents involving the same vehicle are to be counted separately. Multiple reports of the same incident are also to be counted separately (i.e., a consumer complaint

and a field report involving the same incident in which a crash occurred are to be counted as a crash report, a field report and a consumer complaint).

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

Provide the table in Excel, or a compatible format, entitled, "Response No. 4 COMPLAINT DATA."

5. Separately, for each item (complaint, report, claim, notice, or matter) within the scope of your response to Request No. 4, provide the following information:
 - a. MCI's file number or other identifier used;
 - b. The category of the item, as identified in Request No 4 (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 and body or serial number;
 - 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 property damage is alleged;
 - j. Number of alleged injuries, if any;
 - k. Number of alleged fatalities, if any.
 - l. Concern stated by customer;
 - m. Did the tag axle detach from it intended location:
 - n. Comment, if any, by dealer/technician relating to claim and/or repair; and
 - o. MCI's assessment of the claim.

Provide this information in Excel, or a compatible format, entitled "Response to No. 5 CLAIM DATA."

6. As applicable to the alleged defect in the subject vehicles, state, by make, model and model year, a total count for all of the following categories of claims, collectively, that have been paid by MCI to date that relate to, or may relate to, the alleged defect in the subject vehicles: **warranty claims; extended warranty claims;** claims for good will services that were provided; field, zone, or similar adjustments and reimbursements; and warranty claims or repairs made in accordance with a procedure specified in a technical service bulletin or customer satisfaction campaign.
Separately, provide a copy of each claim.

Also, separately, for each such claim, provide the following information:

- a. MCI's claim number;
- b. Vehicle owner or fleet name (and fleet contact person) and telephone number;
- c. VIN;
- d. Repair date;
- e. Vehicle mileage at time of repair;
- f. Repairing dealer or facility's name, telephone number, city and state or ZIP code;
- g. Labor operation number;
- h. Problem code;
- i. Replacement part number(s) and description(s);
- j. Concern stated by customer;
- k. Comment, if any, by dealer/technician relating to claim and/or repair; and
- l. MCI's assessment of the claim, including reason for granting claim.
- m. Category, goodwill, warranty, etc.

Also, provide this information in Excel, or a compatible format, entitled "Response to No.6 CLAIM PAID DATA."

Produce copies of all documents related to each item within the scope of Request No.6. Organize the documents separately by category (i.e., consumer complaints, field reports, etc.) and describe the method MCI used for organizing the documents.

7. For each claim denied in question number 4 and 6, provide the following information:
 - a. MCI's claim number and reason for the claim being denied;
 - b. Vehicle owner or fleet name (and fleet contact person) and telephone number;
 - c. VIN, body or serial number;
 - d. Concern stated by customer;
 - e. How was the bus repaired and date of repair;
 - f. Vehicle mileage at time of repair;
 - g. Repairing dealer or facility's name, telephone number, city and state or ZIP code;
 - h. Labor operation number;
 - i. Problem code;
 - j. Replacement part number(s) and description(s); and
 - k. Comment, if any, by dealer/technician relating to claim and/or repair.

Provide this information in Excel, or a compatible format, entitled "Response to No.7 CLAIM DENIED DATA."

8. Describe in detail the search criteria used by MCI to identify the claims identified in response to Request No.4 and 6, 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.

9. Describe how MCI first became aware of the alleged defect and state the date on which MCI first became aware of the possibility of the alleged defect. Provide a detailed chronology of all events regarding the subject defect starting from the time MCI first became aware of this issue to present. Include and provide a copy of all information including internal meetings, meetings with other manufacturers, and fleet owners.
10. Provide MCI's opinion as to why there are ongoing failures of the tag axle arms after the recall remedy has been incorporated on the buses. Provide the appropriate original and revised engineering drawing depicting the tag axle of the subject buses. Illustrate where and the process of how the areas of the tag axle should be welded.
11. Produce copies of all letters, service bulletins, warranty, and other **documents** that relate to, or may relate to, the alleged defect in the subject buses, that MCI has issued to any manufacturer, 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, state the date in which these documents were issued, to whom, and the date they were submitted to NHTSA in accordance with applicable regulations, such as CFR. 579.5. Furthermore, include the latest draft copy of any communication that MCI is planning to issue. Separately, identify and describe what precipitated each document.
12. Separately, provide a detailed chronology of all events regarding the Greyhound fleet and the New Jersey fleet related to the alleged defect starting from the time MCI first became aware of this issue to present. Provide copies of all information including internal meetings, meetings with other manufacturers, and fleet owners.
13. Describe all assessments, analyses, tests, test results, studies, surveys, simulations, investigations, inquiries and/or evaluations (collectively, "actions") that relate to, or may relate to, the alleged defect in the subject buses that have been conducted, are being conducted, are planned, or are being planned by, or for, MCI, and including any actions conducted by any equipment supplier. For each such action, provide the following information:
 - a. action title or identifier;
 - b. the actual or planned start date;
 - c. the actual or expected end date;
 - d. brief summary of the subject and objective of the action;
 - e. engineering group(s)/supplier(s) responsible for designing and for conducting the action; and,
 - f. a brief summary of the findings and/or conclusions resulting from the action.

For each action identified, provide copies of all documents related to the action, regardless of whether the documents are in interim, draft, or final form. Organize the documents chronologically by action date.

Also, provide this agency with a copy of the latest applicable testing that was conducted by MCI or on behalf of MCI on the tag axle arm assemblies.

14. Describe all modifications or changes made by MCI, or any equipment supplier, or on behalf of MCI, in the design, material composition, manufacture, quality control, supply, or installation of the tag axle arm and components installed in the subject buses, from the start of the model year of the subject vehicles to present date, which relate to, or may relate to, the alleged defect in the subject buses. For each such modification or change, provide the following information:
- a. The date or approximate date on which the modification or change was incorporated into the buses;
 - b. A detailed description of the modification or change;
 - c. The reason(s) for the modification or change;
 - d. The part numbers (service and engineering) of the original component;
 - e. The part number (service and engineering) of the modified component;
 - f. Whether the original unmodified component was withdrawn from production and/or sale, and if so, when;
 - g. When the modified component was made available as a service component; and,
 - h. Whether the modified component can be interchanged with earlier production components.

Also, provide the above information for any modification or change that MCI is aware of which may be incorporated into vehicle production within the next 120 days.

15. Furnish MCI's assessment of the alleged defect in the subject vehicle including:
- a. The causal or contributory factor(s);
 - b. The failure mechanism(s);
 - c. The failure mode(s);
 - d. The risk to motor vehicle safety that it poses; and
 - e. What warnings, if any, the operator and the other persons both inside and outside the vehicle would have that the alleged defect was occurring or subject component was malfunctioning.
16. Furnish MCI's assessment of the newly reported tag axle arm failure that has occurred on the subject buses including:
- a. The causal or contributory factor(s);
 - b. The failure mechanism(s);
 - c. The failure mode(s);
 - d. The risk to motor vehicle safety that it poses; and
 - e. What warnings, if any, the operator and the other persons both inside and outside the vehicle would have that the alleged defect was occurring or subject component was malfunctioning
17. Furnish a copy of all documents not specifically requested herein, which MCI believes are relevant to, or which were used in formulating its assessment of, the alleged defect.

18. Provided any/all documents that address the proper maintenance for the tag axle arms including wheel bearing servicing, tag axle bearing box servicing, and alignment of the tag arms. This material should include at what intervals the required maintenance should be performed. State whether such documents are supplied to each owner of the subject buses upon purchasing the vehicles.
19. State whether MCI provides training and follow-up/ongoing training pertaining to the tag axle suspension system and discuss the contents of the course. Provide a copy of the course material offered to attendees.
20. Identify what action MCI intends to take on this issue.
21. Provide the current recall completion rate for Safety Recall 03V-411.

This letter is being sent to MCI pursuant to 49 U.S.C. § 30166, which authorizes NHTSA to conduct any investigation that may be necessary to enforce Chapter 301 of Title 49 and to request reports and the production of things. It constitutes a new request for information. MCI's failure to respond promptly and fully to this letter could subject MCI to civil penalties pursuant to 49 U.S.C. § 30165 or lead to an action for injunctive relief pursuant to 49 U.S.C. § 30163. (Other remedies and sanctions are available as well.) Please note that maximum civil penalties under 49 U.S.C. § 30165 have increased as a result of the recent enactment of the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act, Public Law No. 106-414 (signed November 1, 2000). Section 5(a) of the TREAD Act, codified at 49 U.S.C. § 30165(b), provides for civil penalties of up to \$5,000 per day, with a maximum of \$16,050,000 for a related series of violations, for failing or refusing to perform an act required under 49 U.S.C. § 30166. See 49 CFR 578.6 (as amended by 69 Fed. Reg. 57864 (Sept. 28, 2004)). This includes failing to respond to ODI information requests.

If MCI cannot respond to any specific request or subpart thereof, please state the reason why it is unable to do so. If, on the basis of attorney client, attorney work product, or other privilege, MCI does not submit one or more requested documents or items of information in response to this information request, MCI must provide a privilege log identifying each document or item withheld, and stating the date, subject or title, name and position of the person(s) from and the person(s) to whom it was sent, and the name and position of any other recipient (to include all carbon copies or blind carbon copies), the nature of that information or material, and the basis for the claim of privilege and why that privilege applies.

Your response to this letter, in duplicate, must be submitted to this office by **October 20, 2006**. Please include in your response the identification codes referenced on page one of this letter. If you find that you are unable to provide all of the information requested within the time allotted, you must request an extension from Richard Boyd at (202) 366-4933 no later than five business days before the response due date. If you are unable to provide all of the information requested by the original deadline, you must submit a

partial response by the original deadline with whatever information you then have available, even if you have received an extension.

If MCI claims that any of the information or documents provided in response to this information request constitute confidential commercial material within the meaning of 5 U.S.C. § 552(b)(4), or are protected from disclosure pursuant to 18 U.S.C. § 1905, MCI must submit supporting information together with the materials that are the subject of the confidentiality request, in accordance with 49 CFR Part 512, to the Office of Chief Counsel (NCC-30), National Highway Traffic Safety Administration, Room 5219, 400 Seventh Street, S.W., Washington, D.C. 20590. MCI is required to submit two copies of the documents containing the purportedly confidential information (accept only one copy of blueprints) and one copy of the documents from which information claimed to be confidential has been deleted.

Please contact Sonny Murianka of my staff at (202) 366-5196 upon receipt of this letter. He can also be reached by email at Sonny.murianka@dot.gov. Mr. Murianka will address any technical questions concerning this matter during the course of this investigation that you may have.

Sincerely,

A handwritten signature in cursive script that reads "Richard Boyd".

Richard Boyd, Chief
Medium and Heavy Truck Division
Office of Defects Investigation