

# VOLKSWAGEN



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CHIEF  
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September 7, 2006

Anthony M. Cooke, Chief Counsel  
Office of Chief Counsel  
National Highway Traffic Safety Administration  
Room 5219  
400 Seventh Street S.W.  
Washington, D.C. 20590

Re: Request for Confidential Treatment- PE06-022

Dear Mr. Cooke:

Volkswagen of America, Inc. ("VWoA") is submitting the enclosed documents in response to the above-referenced Preliminary Evaluation issued to VWoA by the Office of Defects Investigation on June 21, 2006. VWoA requests that the documents identified below be granted confidential treatment pursuant to 49 C.F.R. Part 512 (2006) and Exemption 4 of the Freedom of Information Act, 5 U.S.C. § 552(b)(4)(2006). The applicable confidentiality standard is set forth at 49 C.F.R. § 512.15(b), which, under the FOIA Exemption 4 case law, applies to information that a submitter is required to provide to a Federal agency. Under this standard, information is exempt from disclosure if its disclosure would cause substantial harm to the competitive position of the submitter.

The following documents or portions thereof are the subject of this request:

- \* *SAB Mac / E1 NAS12 short to Ground* (German and English Translation) **Identified as Attachment 8.2 of the PE**. This document, in its entirety, should be afforded confidential treatment. It reflects design research and remediation protocols. Release of this document would reveal internal processes and would allow competitors to duplicate our design, research, and remediation protocols without incurring the substantial expense associated with the development of their own protocols. For example, analysis methodology and thresholds used to establish in-field quality control as well as manufacturing process documentation are detailed. This information, along with other internal remedial processes, is commercially valuable and its release would result in substantial competitive harm to VW. For this very reason, NHTSA granted DaimlerChrysler confidential treatment for similar documents in PE00-034.
- \* *Section Electronics – SAB connection assembly* (German and English Translation) **Identified as Attachment 8.3 of the PE**. Page 5 from Attachment 8.3 should be afforded confidential treatment as it reflects cost per vehicle of various side airbag components. This is internal cost data that is not released. This data, if released, would provide suppliers and the aftermarket with highly competitive pricing information that are not otherwise available, thereby providing these entities with an unfair business advantage against Volkswagen.

- \* *Testing of Airbag Connections in Seats (German and English Translation) Identified as Attachment 8.4 of the PE.* This document, in its entirety, should be afforded confidential treatment. It reflects test reports of VW's own investigation and testing procedures relating to examination of side airbag components that are subject of PE, consisting of trade secrets that detail material specifications and performance criteria used by VW to evaluate its products, disclosure of which would cause VW substantial competitive harm. Revealing this data might also discourage VW from conducting similar investigations and testing in the future. For these reasons, NHTSA granted Volkswagen confidential treatment for similar documents in EA03-013.
  
- \* *Change of resistance in Yasaki plugs, subject to mechanical shock impacts. (German and English Translation) Identified as Attachment 8.5 of the PE.* This document, in its entirety, should be afforded confidential treatment. It reflects internal design research and remediation protocols, as well as internal test reports. Release of this document would reveal internal processes and would allow competitors to duplicate our design, research, and remediation protocols without incurring the substantial expense associated with the development of their own protocols. Moreover, release of this information would allow a competitor to obtain the benefit of VW tests, test protocols, and test development strategies about side airbags without having to incur the substantial costs associated with the development of their own analyses and tests, thereby allowing the competitor an opportunity to bring competitive products to market sooner and to improve their own development procedures at VW's expense. For this very reason, NHTSA granted DaimlerChrysler confidential treatment for similar documents in PE00-034.
  
- \* *Functional block / flow diagram Identified as Attachment 11.a of the PE.* This one-page document should be afforded confidential treatment because it contains the internal schematics and flow diagram of the side airbag's sensors and other components subject to the investigation. Release of this document would reveal internal design and performance criteria that would allow competitors to duplicate this design without incurring the substantial expense associated with the development of their own protocols, thereby allowing the competitor an opportunity to bring competitive products to market sooner and to improve their own development procedures at VW's expense.


Copies of the above documents are being provided in **Appendix 1**. A Certificate in Support of Request for Confidentiality is attached in **Appendix 2**.

Volkswagen is also forwarding as **Appendix 3** a request from its supplier, Robert Bosch GmbH, Stuttgart, Germany for confidential treatment of certain responsive documents labeled **Attachment 8.6 of the PE**.

For the reasons listed above, the subject documents should be granted confidential treatment for a period of ten (10) years. If a request for disclosure of any or all of this information is received by NHTSA, VWoA respectfully requests notification of each such request and, if necessary, an opportunity to further explain the reasons why such materials are entitled to protection from release under FOIA.

Please feel free to contact Mr. Kevin McDonald, Esq. (VWoA, Office of the General Counsel) at 248-754-5420 if you have any additional questions, or if we can provide you with any additional information regarding this request.

Sincerely,



John Maddox  
Product Compliance  
VWoA