

AUG 3 2007

1200 New Jersey Avenue SE Washington, DC 20590

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Frank Slaveter, Senior Manager Nissan North America, Inc. P.O. Box 685001 Franklin, TN 37068-5009

NVS-213aan EA07-005

Dear Mr. Slaveter:

As you are aware the Office of Defects Investigation (ODI) of the National Highway Traffic Safety Administration (NHTSA) has upgraded PE06-050 to an Engineering Analysis (EA07-005) to further investigate allegations of wheel spoke fracture in MY 2005 through 2007 Nissan 350Z vehicles manufactured by Nissan North America, Inc. This letter is being sent to request additional information to assist us in our investigation.

Unless otherwise stated in the text, the following definitions apply to these information requests:

- <u>Subject vehicles</u>: all MY 2005 through 2007 Nissan 350Z vehicles manufactured for sale or lease in the United States.
- Subject equipment: all wheel assemblies manufactured for use on the subject vehicles.
- Nissan: Nissan North America, Inc., all of its past and present officers and employees, whether assigned to its principal offices or any of its field or other locations, including all of its divisions, subsidiaries (whether or not incorporated) and affiliated enterprises 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 directly or indirectly (e.g., employee of a consultant) by or under the control of Nissan (including all business units and persons previously referred to), who are or, in or after January 1, 2001, were involved in any way with any of the following related to the alleged defect in the subject vehicles:
 - a. Design, engineering, analysis, modification or production (e.g. quality control);
 - 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; or

- d. Communication to, from or intended for zone representatives, fleets, dealers, or other field locations, including but not limited to people who have the capacity to obtain information from dealers.
- Alleged defect: Structural failures in original equipment wheels, including those wheels
 offered by Nissan as optional equipment, or original equipment wheels subjected to an
 aftermarket "chroming" process.
- Document: "Document(s)" is used in the broadest sense of the word and shall mean all original written, printed, typed, recorded, or graphic matter whatsoever, however produced or reproduced, of every kind, nature, and description, and all non-identical copies of both sides thereof, including, but not limited to, papers, letters, memoranda, correspondence, communications, electronic mail (e-mail) messages (existing in hard copy and/or in electronic storage), faxes, mailgrams, telegrams, cables, telex messages, notes, annotations, working papers, drafts, minutes, records, audio and video recordings, data, databases, other information bases, summaries, charts, tables, graphics, other visual displays, photographs, statements, interviews, opinions, reports, newspaper articles. studies, analyses, evaluations, interpretations, contracts, agreements, jottings, agendas, bulletins, notices, announcements, instructions, blueprints, drawings, as-builts, changes, manuals, publications, work schedules, journals, statistical data, desk, portable and computer calendars, appointment books, diaries, travel reports, lists, tabulations, computer printouts, data processing program libraries, data processing inputs and outputs, microfilms, microfiches, statements for services, resolutions, financial statements, governmental records, business records, personnel records, work orders, pleadings, discovery in any form, affidavits, motions, responses to discovery, all transcripts. administrative filings and all mechanical, magnetic, photographic and electronic records or recordings of any kind, including any storage media associated with computers, including, but not limited to, information on hard drives, floppy disks, backup tapes, and zip drives, electronic communications, including but not limited to, the Internet and shall include any drafts or revisions pertaining to any of the foregoing, all other things similar to any of the foregoing, however denominated by Nissan, any other data compilations from which information can be obtained, translated if necessary, into a usable form and any other documents. For purposes of this request, any document which contains any note, comment, addition, deletion, insertion, annotation, or otherwise comprises a nonidentical copy of another document shall be treated as a separate document subject to production. In all cases where original and any non-identical copies are not available, "document(s)" also means any identical copies of the original and all non-identical copies thereof. Any document, record, graph, chart, film or photograph originally produced in color must be provided in color. Furnish all documents whether verified by Nissan or not. If a document is not in the English language, provide both the original document and an English translation of the document.
- Other Terms: To the extent that they are used in these information requests, the terms "claim," "consumer complaint," "dealer field report," "field report," "fire," "fleet," "good will," "make," "model," "model year," "notice," "property damage," "property damage claim," "rollover," "type," "warranty," "warranty adjustment," and "warranty claim,"

whether used in singular or in plural form, have the same meaning as found in 49 CFR 579.4.

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. Insofar as Nissan has previously provided a document to ODI, Nissan may produce it again or identify the document, the document submission to ODI in which it was included and the precise location in that submission where the document is located. When documents are produced, the documents shall be produced in an identified, organized manner that corresponds with the organization of this information request letter (including all individual requests and 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.

Please repeat the applicable request verbatim above each response. After Nissan's response to each request, identify the source of the information and indicate the last date the information was gathered.

- 1. State, by model and model year, the number of subject vehicles Nissan has manufactured for sale or lease in the United States. Separately, for each subject vehicle manufactured to date by Nissan, state the following:
 - a. Vehicle identification number (VIN);
 - b. Make;
 - c. Model;
 - d. Model Year:
 - e. Date of manufacture:
 - 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.

- 2. State the number of each of the following, received by Nissan, or of which Nissan is otherwise aware, 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 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;
 - d. Property damage claims;
 - e. Third-party arbitration proceedings where Nissan is or was a party to the arbitration;
 - f. Lawsuits, both pending and closed, in which Nissan is or was a defendant or codefendant; and

g. Lawsuits, third party arbitration proceedings, or other proceedings (closed or pending) in which Nissan sought or is seeking indemnification from any of its dealers.

For subparts "a" through "g," state the total number of each item (e.g., consumer complaints, field reports, etc.) separately. 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" through "g," provide a summary description of the alleged problem and causal and contributing factors and Nissan's assessment of the problem, with a summary of the significant underlying facts and evidence. For items "d" through "g" 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.

- 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. Nissan'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
 - 1. Number of alleged fatalities, if any.

Provide this information in Microsoft Access 2000, or a compatible format, entitled "REQUEST NUMBER TWO DATA." See Enclosure 1, Data Collection Disc, for a preformatted table which provides further details regarding this submission.

- 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 Nissan used for organizing the documents.
- 5. State, by model and model year, a total count for all of the following categories of claims, collectively, that have been paid by Nissan 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, for each such claim, state the following information:

- a. Nissan's claim number;
- b. Vehicle owner or fleet name (and fleet contact person) and telephone number;
- VIN:
- d. Repair date:
- Vehicle mileage at time of repair;
- f. Repairing dealer's or facility's name, telephone number, city and state or ZIP code;
- g. Labor operation number;
- h. Problem code:
- Replacement part number(s) and description(s);
- Concern stated by customer; and
- k. Comment, if any, by dealer/technician relating to claim and/or repair.

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

- 6. Describe in detail the search criteria used by Nissan 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 Nissan 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 Nissan 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.
- 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 Nissan 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 Nissan is planning to issue within the next 120 days.
- 8. 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 vehicles that have been conducted, are being conducted, are planned, or are being planned by, or for, Nissan. 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.

- 9. Describe all modifications or changes made by, or on behalf of, Nissan in the design, material composition, manufacture, quality control, supply, or installation of the subject equipment, from the start of production to date, which relate to, or may relate to, the alleged defect in the subject vehicles. 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 vehicle production;
 - b. A detailed description of the modification or change;
 - c. The reason(s) for the modification or change;
 - d. The part number(s) (service and engineering) of the original equipment;
 - e. The part number(s) (service and engineering) of the modified equipment;
 - f. Whether the original unmodified equipment was withdrawn from production and/or sale, and if so, when;
 - g. When the modified equipment was made available as a service equipment; and
 - h. Whether the modified equipment can be interchanged with earlier production equipment.

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

- 10. Describe and provide copies of all material pertaining to the design and development of the subject equipment, including all engineering standards and specifications and all design verification and validation test data.
- 11. Furnish copies of all communications between Nissan and each supplier of the subject equipment for the subject vehicles that pertain to the design, manufacture, performance, material specifications, durability, quality, testing, or modification of the subject equipment in the subject vehicles. This includes, but is not limited to, discussions regarding Nissan's engineering specifications and requirements, the specifications used by the supplier(s) in producing the subject equipment, and the manufacturing and quality control processes followed by the supplier(s) as to the subject equipment. If any communications on this subject were oral or were conducted electronically, provide a written transcript or summary of each such communication if one is available, and include a statement that identifies the participants and the date of communication.
- 12. Describe and explain the design, engineering, and manufacturing differences and similarities between the subject equipment used on the 350Z and U.S. and Japanese-market vehicles -- such as the Infiniti G35 and Nissan Skyline -- that share the same platform as the 350Z.

- 13. Describe and provide copies of all communications, including correspondence and e-mail, between Nissan and its dealers that relate in any way to the alleged defect in the subject vehicles.
- 14. Identify the number of incidents of which Nissan Motor Co., Ltd. (Nissan Motor) is aware that relate to the alleged defect in Nissan Motor-produced vehicles that were manufactured from the beginning of 2002 to the present for the Japanese domestic market that share the same platform as the subject vehicle.
- 15. Please summarize and describe each of the incidents that were identified in Request No. 14, above. As part of your summary and description for each incident, identify the vehicle model, model year, the circumstances of the incident (if known), the type of wheel involved (i.e., construction, original/optional equipment, and size) and the reported date and location of the incident.
- 16. Describe and provide copies of all bulletins, notices, and other correspondence filed by Nissan Motor with the Ministry of Land, Infrastructure, and Transport of Japan that relate to the alleged defect in Japanese domestic market vehicles manufactured by Nissan Motor from the beginning of 2002 to the present that share the same platform as the subject vehicle.
- 17. Describe and provide copies of all bulletins, notices, and other correspondence between Nissan Motor and its Japanese-based dealers that relate to the alleged defect in Japanese domestic market vehicles manufactured by Nissan Motor from the beginning of 2002 to the present that share the same platform as the subject vehicle.
- 18. Provide two samples of each of the following to NHTSA's Vehicle Research and Test Center at the address given below:
 - a. Exemplar samples (excluding wheels rejected either by Nissan or its wheel supplier(s)) of each design version of the subject equipment; and
 - b. Field return samples of the subject equipment exhibiting the subject failure mode.

Vehicle Research Test Center 10820 State Road 347 Building #60 East Liberty, Ohio 43319-0337

19. State the number of items of subject equipment that Nissan has sold that may be used in the subject vehicles by equipment name, part number (both service and engineering/production), model and model year of the vehicle in which it is used and month/year of sale (including the cut-off date for sales, if applicable).

For each equipment part number, provide the supplier's name, address, and appropriate point of contact (name, title, and telephone number). Also identify by make, model and model year, any other vehicles of which Nissan is aware that contain the identical equipment, whether installed in production or in service, and state the applicable dates of production or service usage.

- 20. Furnish Nissan'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;
 - e. The safety risk (i.e., risk of wheel separation) associated with a single cracked spoke, including a description of the basis for Nissan's assessment;
 - f. A description of the changes in strength, modulus and other relevant material properties when a subject wheel is subjected to aftermarket re-chroming and Nissan's assessment of the effects of these changes on the structural integrity of the wheel;
 - g. 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 equipment was malfunctioning; and
 - h. The reports included with this inquiry.

This letter is being sent to Nissan 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. Nissan's failure to respond promptly and fully to this letter could subject Nissan 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 \$6,000 per day, with a maximum of \$16,375,000 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 71 Fed. Reg. 28279 (May 16, 2006)). This includes failing to respond to ODI information requests.

If Nissan cannot respond to any specific request or subpart(s) 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, Nissan does not submit one or more requested documents or items of information in response to this information request, Nissan must provide a privilege log identifying each document or item withheld, and stating the date, subject or title, the 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.

Nissan's response to this letter, in duplicate, together with a copy of any confidentiality request, must be submitted to this office by September 14, 2007. All business confidential information must be submitted directly to the Office of Chief Counsel as described in the following paragraph and should not be sent to this office. In addition, do not submit any business confidential information in the body of the letter submitted to this office. Please refer to EA07-005 in Nissan's response to this letter and in any confidentiality request submitted to the Office of Chief Counsel. If Nissan finds that it is unable to provide all of the information requested

within the time allotted, Nissan must request an extension from Jeffrey Quandt of my staff at (202) 366-5207 no later than five business days before the response due date. If Nissan is unable to provide all of the information requested by the original deadline, it must submit a partial response by the original deadline with whatever information Nissan then has available, even if an extension has been granted.

If Nissan 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, Nissan must submit supporting information together with the materials that are the subject of the confidentiality request, in accordance with 49 CFR Part 512, as amended (69 Fed. Reg. 21409 et seq; April 21, 2004), to the Office of Chief Counsel (NCC-111), National Highway Traffic Safety Administration, West Building, W41-227, 1200 New Jersey Avenue, SE, Washington, D.C. 20590. Nissan is required to submit two copies of the documents containing allegedly confidential information (except only one copy of blueprints) and one copy of the documents from which information claimed to be confidential has been deleted. Please remember that the word "CONFIDENTIAL" must appear at the top of each page containing information claimed to be confidential, and the information must be clearly identified in accordance with 5 U.S.C. § 512.6.

Please send email notification to <u>andrea.noel@nhtsa.dot.gov</u> and to <u>ODI_IRresponse@dot.gov</u> when Nissan sends its response to this office and indicate whether there is confidential information as part of Nissan response.

If you have any technical questions concerning this matter, please call Andrea Noel of my staff at (202) 493-0210.

Sincerely

Kathleen C. DeMeter, Director Office of Defects Investigation

Enforcement

Enclosure 1, One CD ROM titled Data Collection Disc containing three files