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April 10, 2007

DaimlerChrysler Corporation
Stephan J. Speth
Director
Vehicle Compliance & Safety Affairs

Mr. Jeffrey L. Quandt
Vehicle Integrity Division
Office of Defects Investigation
National Highway Traffic Safety Administration
U.S. Department of Transportation
400 Seventh Street, SW
Washington, D.C. 20590

Dear Mr. Quandt:

Reference: NVS-213 cla; PE 07-009

This document contains DaimlerChrysler Corporation's ("DCC") response to the referenced inquiry. By providing the information contained herein, DCC is not waiving its claim to attorney work product and attorney-client privileged communications.

DCC has formed a multi-disciplinary task force to investigate stalling and /or loss of lighting in 2006 and 2007 MY XK vehicles. The group is aggressively pursuing vehicles that demonstrate the ability to repeat the alleged condition and is installing flight recorders in selected vehicles to allow collection of a variety of data. The most difficult part of the investigation to date has been to find a subject vehicle that demonstrates repeatability of the event. Accordingly, DCC has not identified a causal factor responsible for the reports contained within this response. DCC will continue investigation of this complex issue and provide updates to the Agency as available.

Sincerely,

S. J. Speth
Stephan J. Speth

Attachment and Enclosures

1. **State, by model, model year and engine option, the number of subject vehicles DCC has manufactured for sale or lease in the United States. Separately, for each subject vehicle manufactured to date by DCC, 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 2003, or a compatible format, entitled "PRODUCTION DATA."

Note: Unless otherwise indicated, all data contained in this response is through February 27, 2007, the date the information request was received by DaimlerChrysler Corporation ("DCC").

- A1. Listed below is the total volume of subject vehicles (2006 and 2007 model year ("MY") Jeep Commander (body model designation "XK") sport utility vehicles) manufactured by DCC for sale or lease in the United States.

MY	2006	2007
Volume	101,990	34,454
Total Volume = 136,444		

The information requested in question numbers 1a - 1g is provided in Enclosure 1 as a Microsoft Access table titled "PRODUCTION DATA".

2. **State the number of each of the following, received by DCC, or of which DCC 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. Reports involving a stall, 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;
- e. Property damage claims;
- f. Third-party arbitration proceedings where DCC is or was a party to the arbitration; and
- g. Lawsuits, both pending and closed, in which DCC is or was a defendant or codefendant.

For subparts "a" through "e" 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 DCC's assessment of the problem, with a summary of the significant underlying facts and evidence. For items f and 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.

- A2. The following summarizes the non-privileged reports identified by DCC that relate to, or may relate to, the alleged condition of engine stall while driving (which may be accompanied by a loss of electrical distribution system and resultant loss of vehicle lighting) for the subject vehicles. DCC has conducted a reasonable and diligent search of records kept in the ordinary course of business for such information.
- a. There are a total of 394 customer complaints for 298 unique Vehicle Identification Numbers ("VINs") that relate to, or may relate to, the alleged condition. These customer complaints in the DCC system are referred to as Customer Assistance Inquiry Requests ("CAIRs").
 - b. There are 44 field reports that relate to, or may relate to, the alleged condition.
 - c. There is one report alleging a minor single vehicle crash (vehicle contacted curb and damaged the wheel/tire) that the complainant states is related to the alleged condition. There are no reports of injuries or fatalities responsive to this investigation.
 - d. There are no reports involving a fire, based on claims against DCC involving a death or injury, or notices received by DCC alleging or proving that a death or injury was caused by the alleged condition in a subject vehicle.

- e. There are no property damage claims responsive to this investigation. For purposes of this response, property damage is defined as any non subject vehicle article that was allegedly damaged during the reported incident.
- f. There are no third-party arbitration proceedings where DCC is, or was, a party to the arbitration, that are responsive to this investigation.
- g. There are 16 legal claims and 10 lawsuits involving DCC with allegations of the alleged condition in a subject vehicle.

MY	CAIRs	Field Reports	Legal Claims / Lawsuits
2006	389	46	16 / 10
2007	5	0	0 / 0

Due to some complainants providing multiple inputs for the same vehicle, there are 346 unique VINs associated with 466 total customer complaints, field reports, legal claims and lawsuits.

- 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. DCC'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.

Provide this information in Microsoft Access 2003, or a compatible format, entitled "REQUEST NUMBER TWO DATA."

- A3. The information requested in question numbers 3a - 3l is provided in Enclosure 2 as a Microsoft Access table titled "REQUEST NUMBER TWO DATA".

- 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 DCC used for organizing the documents.**

A4. The information requested in question number 4 is provided in Enclosure 3 within a folder titled "Field Data."

- 5. State, by model and model year, a total count for all of the following categories of claims, collectively, that have been paid by DCC to date that relate to, or may relate to, the alleged defect in the subject vehicles, including all claims for repairs of the subject components: 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 any technical service bulletin or customer satisfaction campaign.**

Separately, for each such claim, state the following information:

- a. DCC'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's 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. Whether there is a coincident claim for towing (within one week of the claim relating to the alleged defect);
- k. Concern stated by customer; and
- l. Comment, if any, by dealer/technician relating to claim and/or repair.

Provide this information in Microsoft Access 2003, or a compatible format, entitled "WARRANTY DATA."

A5. The information requested in questions 5a - 5l is provided in Enclosure 4 as a Microsoft Access table titled "WARRANTY DATA."

- 6. Describe in detail the search criteria used by DCC 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 DCC 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 DCC 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.

- A6. Per discussion between members of my staff and NHTSA ODI Investigator Chris Lash on March 13, 2007 it was agreed that the Labor Operation ("LOP") codes to be utilized for this search would be for replacement of the Front Control Module ("FCM") LOP = 08190801 and replacement of the Power Distribution Center ("PDC") LOP = 08890102. The Integrated Power Module ("IPM"), which was identified as a subject component in the information request letter, consists of the FCM and PDC and is not serviced as a complete assembly.

The standard warranty offered on all new 2006 and 2007 MY XK vehicles was 36 months or 36,000 miles. DCC did not offer extended warranty coverage related specifically to any of the subject components.

DCC's warranty system is designed and utilized to compensate dealers for repairs made, and thus cannot be used to determine any trend related to an alleged condition, since it is often difficult to determine the reason for any particular warranty claim. There are random issues not related to an investigation that may still trigger replacement of the subject components. For example, the FCM or PDC may be replaced due to a failure in a different portion of the component not related to the alleged condition.

The following chart summarizes FCM and PDC replacement claims under warranty for the subject vehicles:

LOP Code	2006 MY	2007 MY	Total
08190801 (FCM)	563	17	580
08890102 (PDC)	118	0	118

- 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 DCC has issued to any dealers, regional or zone offices, field offices, fleet purchasers, or other entities. This includes, but is not limited to, DCC Technical Service Bulletin No. 08-060-05, 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 DCC is planning to issue within the next 120 days.**

Summarize and provide a brief chronology of all actions taken by DCC leading to each of the technical service bulletins that have been issued relating to the alleged defect in the subject components. Provide copies of all documents, organized in chronological order, related to the development of these bulletins.

A7. There are no service bulletins, warranty, or other responsive documents that relate to, or may relate to, the alleged condition in the subject vehicles that DCC has issued or is planning to issue within the next 120 days.

8. Describe all assessments, analyses, tests, test results, studies, surveys, simulations, investigations, inquiries, remedial measures 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, DCC. 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.

A8. DCC has formed a multi-disciplinary task force to investigate stalling and /or loss of lighting in 2006 and 2007 MY XK vehicles. The team met for the first time on March 1, 2007 and now meets weekly to discuss the latest inputs received from the field along with ongoing evaluation. The team created a worksheet to be utilized by dealer technicians. This worksheet has two distinct areas, one for customer input and another for the technician input. A primary objective of the worksheet is to gain insight as to the operating conditions of the vehicle when the alleged issue occurred. The group is aggressively pursuing vehicles that demonstrate the ability to repeat the alleged condition and is installing flight recorders in selected vehicles to allow collection of a variety of data from components including the FCM and Power train Control Module ("PCM") for analysis. The most difficult part of the investigation to date has been to find a subject vehicle that demonstrates repeatability of the event. A copy of the worksheet is contained in Enclosure 5.

9. Describe all modifications or changes made by, or on behalf of, DCC in the design and/or software programming of the subject components, 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 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 DCC is aware of which may be incorporated into vehicle production within the next 120 days.

- A9. A summary of the design change information for the subject components is being submitted as Enclosure 7, titled "CHANGE HISTORY - CONFIDENTIAL", to the NHTSA Office of the Chief Counsel under separate cover with a request for confidential treatment of information.

- 10. State the number of subject components DCC has sold or installed under warranty that may be used in the subject vehicles by component 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.**

For each component 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 DCC is aware that contain the identical component, whether installed in production or in service, and state the applicable dates of production or service usage.

- A10. Part sales information is contained in Enclosure 8. The enclosure contains four separate files (FCM and PDC part sales for the 2006 and 2007 calendar years).

Supplier information:

FCM Manufacturer:
Siemens VDO
IC Division
100 Electronics Blvd
Huntsville, AL 35824
256 464-1913

PDC Manufacturer:
Lear Inc.
Lear-ESD Division
21557 Telegraph Road
P.O. Box 5008
Southfield, MI 48086
(248) 447-1387

As discussed in response to question 6, the IPM consists of the FCM and the PDC. The IPM is sold in dealerships as two discrete components and if the situation requires both, the technician mates the two components together to become an IPM. The PDC contains fuses, relays and wiring connectors and is controlled by the logic circuits in the FCM.

11. Furnish DCC's assessment of the alleged defect in each design version of the subject components that have been used in the subject vehicles. Provide separate assessments for engine stalling conditions that also involve electrical distribution system failure and those that do not. Include the following information in each assessment:

- a. The causal or contributory factor(s), including a detailed assessment of the factors affecting the occurrence of engine stall and electrical distribution system failure;**
- b. The failure mechanism(s) – for software related failures, state the specific conditions necessary to produce a stall event and an electrical distribution system fault/failure;**
- c. The ability to restart the engine following a stall event – state as percentages involving (1) immediate, (2) delayed, and (3) no restart;**
- d. Stalling incident rates at 12- and 24-months in service based on the experience in the subject vehicle populations that have reached those service intervals;**
- e. The stalling incident rates estimated by DCC at 36- and 60-months in service based on statistical modeling;**
- f. The risk to motor vehicle safety that it poses;**
- 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 component was malfunctioning; and**
- h. The reports included with this inquiry.**

A11. DCC has formed a multi-disciplinary task force to investigate stalling and /or loss of lighting in 2006 and 2007 MY XK vehicles. The group is aggressively pursuing vehicles that demonstrate the ability to repeat the alleged condition and is installing flight recorders in selected vehicles to allow collection of a variety of data. The most difficult part of the investigation to date has been to find a subject vehicle that demonstrates repeatability of the event. Accordingly, DCC has not identified a causal factor responsible for the reports contained within this response. DCC will continue investigation of this complex issue and provide updates to the Agency as available.

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DaimlerChrysler Corporation

Stephan J. Speth

Director

Vehicle Compliance & Safety Affairs

April 10, 2007

Mr. Anthony M. Cooke
Chief Counsel
National Highway Traffic Safety Administration
400 Seventh Street, S.W. Rm. 5219
Washington, DC 20590

Re: Request for Confidential Treatment of Documents Provided in PE07-009

Dear Mr. Cooke:

DaimlerChrysler Corporation ("DCC") is submitting information on CD ROM discs to the NHTSA Office of Defects Investigation in connection with the above-referenced Information Request ("IR"). Based on a careful review of the submission, DCC has determined that the files in Enclosure 7 Change History Confidential consist of confidential information that should be accorded confidential treatment under this agency's regulations at 49 C.F.R. Part 512 and Exemption 4 of the Freedom of Information Act ("FOIA"), 5 U.S.C. § 552(b)(4).¹ Therefore, DCC is submitting these CD's, together with this request for confidential treatment to the Office of Chief Counsel.

The information required by Part 512 is set forth below.

A. Description of the Information (49 C.F.R. § 512.8(a))

The information for which confidential treatment is being sought is 37 Change Notices within the Enclosure 7 Change History - Confidential folder. The change notices are within the sub-folders 06 IPM CN's and 07 IPM CN's. (Bates page # DCC-PE07-009-000001-000077)

The table attached to this letter will more fully describe the documents.

B. Confidentiality Standard (49 C.F.R. § 512.8(b))

¹ DCC has taken steps to assure that the CD's are free of any errors or defects that would prevent NHTSA from opening each file on the disc. If, however, the agency is unable to open any of the files, DCC respectfully requests that the agency inform DCC of the issue, so that DCC may take steps to supply NHTSA's Office of Chief Counsel with a disc that is fully functional.

This submission is subject to the substantial competitive harm standard set forth in 49 C.F.R. § 512.15(b) for information that a submitter is required to provide to the agency.

C. Justification for Confidential Treatment (49 C.F.R. § 512.8(c))

This agency's regulations and Exemption 4 of the Freedom of Information Act ("FOIA"), 5 U.S.C. § 552(b)(4), protect the confidentiality of information that would be likely to cause substantial competitive harm to the submitter if disclosed. *See, e.g. 49 C.F.R. § 512.15(b); Nat'l Parks & Conservation Ass'n v. Morton*, 498 F.2d 765, 770 (D.C. Cir. 1974). FOIA Exemption 4 was enacted to prevent disclosures that would "eliminate much of the time and effort that would otherwise be required to bring to market a product competitive with the [submitter's] product." *Public Citizen Health Research Grp. v. FDA*, 185 F.3d 898, 905 (D.C. Cir. 1999). "Because competition in business turns on the relative costs and opportunities faced by members of the same industry, there is a potential windfall for competitors to whom valuable information is released under FOIA. If those competitors are charged only minimal FOIA retrieval costs for the information, rather than the considerable costs of private reproduction, they may be getting quite a bargain. Such bargains could easily have competitive consequences not contemplated as part of FOIA's principle aim of promoting openness in government." *Worthington Compressors, Inc. v. Costle*, 662 F.2d 45, 51 (D.C. Cir. 1981). Substantial competitive harm also may result from disclosures that would reveal a firm's "operational strengths and weaknesses" to competitors. *See Nat'l Parks & Conservation Ass'n v. Kleppe*, 547 F.2d 673, 684 (D.C. Cir. 1976). The information at issue here should be protected under these standards.²

The change notices reveal information about the design and manufacturing process changes to the subject component, the timing of such changes, the reasons for the changes, and the process by which such changes were made. Thus, these documents reveal information about designs and design and manufacturing processes, as well as DCC lead-time and operational capacity information, which could enable DCC's competitors to improve their own designs and manufacturing processes, and compete more effectively against DCC.

D. Class Determination (49 C.F.R. § 512.8(d))

The information for which confidential treatment is sought does not fit within a class determination.

E. Duration for Which Confidential Treatment is Sought (49 C.F.R. § 512.8(e))

Because DCC anticipates that the information will be competitively sensitive indefinitely, DCC requests that the information be accorded confidential treatment permanently.

² As noted above, DCC is providing a table that identifies the confidential information on the enclosed discs, and specifies the location of the information (by enclosure number and, where applicable, by folder and sub-folder as well as the Bates page numbers). The table also briefly states the basis for the confidentiality claims.

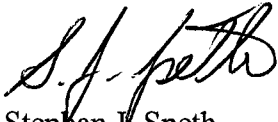
F. Contact Information (49 C.F.R. § 512.8(f))

Please direct all inquiries and responses to the undersigned at:

800 Chrysler Drive, CIMS 482-00-91
Auburn Hills, MI 48326
248-512-4188
SS6@dcx.com

If you receive a request for disclosure of the information for which confidential treatment is being sought before you have completed your review of our request, DCC respectfully requests notification of the request(s) and an opportunity to provide further justification for the confidential treatment of this information, if warranted.

Sincerely,



Stephan J. Speth

cc: Jeffrey Quandt

Attachment and Enclosures

**ATTACHMENT TO REQUEST FOR CONFIDENTIAL
TREATMENT OF CERTAIN DOCUMENTS SUBMITTED IN
CONNECTION WITH PE07-009 WITHIN ENCLOSURE 7 CHANGE
HISTORY - CONFIDENTIAL**

QUESTION # SOURCE	ENCLOSURE	FILE/DOCUMENT NAME	DOCUMENT DESCRIPTION	BATES PAGE #	CONFIDENTIALITY JUSTIFICATION
9 DCC	7	06 IPM CN's	24 Change Notices	DCC-PE07-009-000001-000050	Confidential because these change notices reveal information about designs and design manufacturing processes. Competitors could improve their own designs and manufacturing processes and compete more effectively against DCC.
9 DCC	7	07 IPM CN's	13 Change Notices	DCC-PE07-009-000051-000077	Confidential because these change notices reveal information about designs and design manufacturing processes. Competitors could improve their own designs and manufacturing processes and compete more effectively against DCC.

Certificate in Support of Request for Confidentiality

I, Stephan J. Speth pursuant to the provisions of 49 C.F.R. Part 512, state as follows:

- (1) I am DaimlerChrysler Corporation's Director, Vehicle Certification, Compliance and Safety Affairs and I am authorized by DaimlerChrysler Corporation to execute documents on its behalf;
- (2) I certify that the information contained in the attached documents is confidential and proprietary data and is being submitted with the claim that it is entitled to confidential treatment under 5 U.S.C. 552(b)(4);
- (3) I hereby request that the information contained in the indicated documents be protected on a permanent basis;
- (4) This certification is based on the information provided by the responsible DaimlerChrysler Corporation personnel who have authority in the normal course of business to release the information for which a claim of confidentiality has been made to ascertain whether such information has ever been released outside DaimlerChrysler Corporation;
- (5) Based upon that information, to the best of my knowledge, information and belief, the information for which DaimlerChrysler Corporation has claimed confidential treatment has never been released or become available outside DaimlerChrysler Corporation, except to certain contractors of DaimlerChrysler Corporation with the understanding that such information must be maintained in strict confidence;
- (6) I make no representations beyond those contained in this certificate and, in particular, I make no representations as to whether this information may become available outside DaimlerChrysler Corporation because of unauthorized or inadvertent disclosure (except as stated in paragraph 5); and
- (7) I certify under penalty of perjury that the foregoing is true and correct.

Executed on this 10th day of April, 2007

Stephan J. Speth

