Howell, Rosa (NHTSA)

From: Lash, Chris (NHTSA)

Sent: Tuesday, June 30, 2009 11:13 AM

To: Howell, Rosa (NHTSA)

Subject: FW: M-Class Brake line Investigation IR Update

Please put a copy of this email and the attached file into both the PE and EA (EA08-009/PE08-002) public and private repositories.

Chris

From: Montague, R. Latane [mailto:RLMontague@HHLAW.com]

Sent: Monday, June 29, 2009 2:41 PM

To: Quandt, Jeff (NHTSA) **Cc:** Lash, Chris (NHTSA)

Subject: FW: M-Class Brake line Investigation IR Update

Jeff,

Here is the parts sales attachment referenced in the email below.

From: Montague, R. Latane

Sent: Thursday, June 18, 2009 3:39 PM

To: jquandt@nhtsa.dot.gov; 'Chris.Lash@dot.gov'

Cc: Raher, Patrick M.

Subject: M-Class Brake line Investigation IR Update

Jeff and Chris,

As you requested, this email provides supplemental information following up on Mercedes' March 14, April 16 and September 3, 2008 and February 27, 2009 submissions in EA08-009/PE08-002.

Our March and April submissions included information on MY 2001-2003 ML 500 and ML 55 vehicles, which were the original "subject vehicles." The September submission provided supplemental information on the original subject vehicles, as well as information on the additional M-Class models and additional model years you requested at that time (model year 1999 through 2002 ML 320, 350 and 430 Mercedes vehicles; 1999-2000 ML 55 and ML 500 vehicles; and model year 2001 through 2002 ML 500 and 55 vehicles received subsequent to Mercedes' March and April filings). The February 2009 submission covered the same expanded vehicle population as the September 2008 submission, and provided information received subsequent to the September submission.

This update covers the same expanded vehicle population and provides data received subsequent to the February 2009 submission (data from 2/1/2009 through 5/31/2009) and is responsive to Requests 2-5 and 10 of the January 24, 2008 information request in PE08-002.

As the information presented below indicates, Mercedes has received no claims, complaints, or accident reports related to brake line chafing for the four month period covered by this update.

Update on Information Request

Request No. 2:

- (a) Mercedes has received **no** new complaints which relate to, or may relate to, the alleged defect in the subject vehicle population described above.
- (b) Mercedes has received **no** field reports which relate to, or may relate to, the alleged defect in the subject vehicles described above.

- (c) Mercedes has received **no** reports involving a crash, injury or fatality relating to the alleged defect in the subject vehicles described above.
- (d) Mercedes has received **no** reports involving a fire relating to the alleged defect in the subject vehicles described above.
- (e) Mercedes has received **no** property damage claims relating to the alleged defect in the subject vehicles described above.
- (f) Mercedes is not aware of **any** arbitration proceedings in which it is or was a party relating to the alleged defect in the subject vehicles described above.
- (g) Mercedes is not aware of **any** lawsuits in which it is or was a defendant relating to the alleged defect in the subject vehicles described above.

Request No. 3:

Mercedes has received no complaints and therefore there is no relevant information to report.

Request No. 4:

Mercedes has received no complaints and therefore there is no relevant documentation to report.

Request No. 5:

Mercedes has paid **no** new warranty claims that relate to, or may relate to, the alleged defect in the subject vehicles described above. As explained in Mercedes' April 16, 2008 response, Mercedes searched for claims indicating chafe damage as the root cause of the claim through a review of the dealer text.

Request No. 10:

The requested parts sales information is provided in Attachment A, Parts Sales Data. There have been a total of 47 brake lines and 39 fuel lines sold since the last IR submission. Please note that Mercedes does not keep parts sales data by model or model year.

The data provided in Attachment A demonstrates that replacement parts sales continue to be extremely low. A total of only 1,025 brake lines and 1,811 fuel line replacement parts have been sold. Compared to the M Class vehicle population for which these parts can be used (297,758), this indicates a sales rate of 0.3%.

* * *

Mercedes continues to believe that the brake chafing issue is very limited. The absence of any new complaints, field reports or warranty claims, the fact that there have been no crashes, injuries or fatalities associated with this issue since the beginning of production, and the low parts sales incidence demonstrate the limited nature of the brake line issue. Mercedes remains happy to meeting with you if necessary, and answering any remaining questions you may have regarding this investigation (including the questions we discussed today).

Best Regards,

R. LATANE MONTAGUE, PARTNER

HOGAN & HARTSON LLP

Columbia Square, 555 Thirteenth Street, NW, Washington, DC 20004 direct +1.202.637.6567 | tel +1.202.637.5600 | fax (202) 318-2524

rlmontague@hhlaw.com | http://www.hhlaw.com

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