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March 14, 2008

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Via Hand Delivery

Jeffrey L. Quandt, Chief
Vehicle Control Division
Office of Defects Investigation
National Highway Traffic Safety Administration
1200 New Jersey Avenue, SE
West Building
Washington, DC 20590

NHTSA
WASHINGTON, DC 20590
2008 MAR 14 A 11:04
OFFICE OF CHIEF
COUNSEL

Re: PE08-002 – Preliminary Evaluation to Investigate Allegations of Brake Line Failure in Model Year 2002 Mercedes-Benz ML 550 and ML 55 AMG Vehicles with V-8 Engines

Dear Mr. Quandt:

This letter is submitted on behalf of Daimler AG and Mercedes-Benz USA, LLC (collectively “Mercedes-Benz”) to the National Highway Traffic Safety Administration (“NHTSA” or “Agency”) in response to the Office of Defects Investigation’s January 24, 2008 request for information relating to the Agency’s preliminary evaluation investigating allegations of brake line failure in Model Year 2002 Mercedes-Benz ML 550 and ML 55 AMG class vehicles with V-8 engines.

The responses to NHTSA’s requests numbered 1-6 are provided below following a restatement of the Agency’s original requests. Pursuant to our discussions with NHTSA staff, we will be submitting the responses to the remaining information request items by April 4, 2008.

Mr. Jeffrey L. Quandt
March 14, 2008
Page 2

Responses to Requests No. 1-6

Request No. 1: *State, by model, engine and model year, the number of subject vehicles Mercedes-Benz has manufactured for sale or lease in the United States. Separately, for each subject vehicle manufactured to date by Mercedes-Benz, state the following:*

- a) *Vehicle identification number (VIN);*
- b) *Model;*
- c) *Engine;*
- 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 further details regarding this submission.

Response to Request No. 1:

The number of subject vehicles manufactured by Mercedes-Benz is 19,227. The additional information requested in Request No. 1 is provided in Attachment 1, Production Data.

Request No.2: *State the number of each of the following, received by Mercedes-Benz, or of which Mercedes-Benz 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 fire, 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*

Mr. Jeffrey L. Quandt
March 14, 2008
Page 3

- defect in a sudden vehicle, property damage claims, consumer complaints, or field reports;*
- e) Property damage claims; and*
 - f) Third-party arbitration proceedings where Mercedes-Benz is or was a party to the arbitration; and*
 - g) Lawsuits, both pending and closed, in which Mercedes-Benz 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 Mercedes-Benz'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.

Response to Request No. 2:

- (a) Mercedes-Benz has received five (5) customer complaints related to three (3) subject vehicles regarding alleged brake line issues.
- (b) Mercedes-Benz has received two (2) field reports regarding alleged brake line issues in subject vehicles.
- (c) Mercedes-Benz has received no reports involving a crash, injury or fatality relating to the alleged defect in the subject vehicles.
- (d) Mercedes-Benz has received no reports involving a fire relating to the alleged defect in the subject vehicles.
- (e) Mercedes-Benz has received no property damage claims relating to the alleged defect in the subject vehicles.

Mr. Jeffrey L. Quandt
March 14, 2008
Page 4

- (f) Mercedes-Benz is not aware of any third-party arbitration proceedings in which it is or was a party relating to the alleged defect in the subject vehicles.
- (g) Mercedes-Benz is not aware of any lawsuits in which it is or was a defendant relating to the alleged defect in the subject vehicles.

Request No. 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) *Mercedes-Benz'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);*
- d) *Vehicle owner's address;*
- e) *Vehicle owner's contact telephone number(s);*
- f) *Vehicle's VIN;*
- g) *Vehicle's model;*
- h) *Vehicle's model year;*
- i) *Vehicle's mileage at time of incident;*
- j) *Incident date;*
- k) *Report or claim date;*
- l) *Whether a crash is alleged;*
- m) *Whether a fire is alleged;*
- n) *Whether property damage is alleged;*
- o) *Number of alleged injuries, if any; and*
- p) *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.

Response to Request No. 3:

The information requested in Request No. 3 is provided in Attachment 2, Request Number 2 Data.

Mr. Jeffrey L. Quandt
March 14, 2008
Page 5

Request No. 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 Mercedes-Benz used for organizing the documents.*

Response to Request No. 4:

The information requested in Request No. 4 is provided in Attachment 3, Complaint and Field Report Data. The documents are divided into two sections: complaints and field reports.

Request No. 5: *State, by model and model year, a total count for all of the following categories of claims, collectively, that have been paid by Mercedes-Benz 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) Mercedes-Benz's claim number;*
- b) Vehicle owner or fleet name (and fleet contact person);*
- c) Vehicle owner's address;*
- d) Vehicle owner's contact telephone number(s);*
- e) VIN;*
- f) Repair date;*
- g) Vehicle's mileage at time of repair;*
- h) Repairing dealer's or facility's name, telephone number, city and state or ZIP code;*
- i) Labor operation number;*
- j) Problem code;*
- k) Replacement part number(s) and description(s);*
- l) Concern stated by customer;*
- m) The cause and correction of the concern; and*
- n) Comment, if any, by dealer/technician relating to claim and/or repair.*

Mr. Jeffrey L. Quandt

March 14, 2008

Page 6

Response to Request No. 5:

Sixty-six (66) warranty claims have been paid by Mercedes-Benz that relate, or may relate, to the alleged defect in the subject vehicles. The additional information requested in Request No. 5 is provided in Attachment 4, Warranty Data.

Request No. 6: *Describe in detail the search criteria used by Mercedes-Benz 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 Mercedes-Benz 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 Mercedes-Benz 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.*

Response to Request No. 6:

In order to identify the warranty claims reported in response to Request No. 5, Mercedes-Benz used the fuel line damage code 47184 and the brake line damage code 43071, and reviewed dealer text in warranty claim files.

The operation codes applicable to the alleged defect are listed in column G of Attachment 4, Warranty Data. The damage codes are listed in column H of Attachment 4.

The normal new vehicle warranty coverage period in the United States is four years/50,000 miles.

HOGAN & HARTSON L.L.P.

Mr. Jeffrey L. Quandt

March 14, 2008

Page 7

Please feel free to contact me if you have any questions concerning this submission.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Latane Montague". The signature is written in a cursive style with a long horizontal flourish extending to the right.

R. Latane Montague

Attachments