



U.S. Department
of Transportation
**National Highway
Traffic Safety
Administration**

1200 New Jersey Avenue SE.
Washington, DC 20590

OCT 14 2014

CERTIFIED MAIL

Julian Soell
General Manager, Engineering services
Mercedes-Benz USA, LLC
One Mercedes Drive, P.O. Box 350
Montvale, NJ 07645-0350

NVS-215jt
AQ10-001

RE: Audit of Rental-Car Safety-Recall-Campaign Completion

Dear Mr. Soell:

In response to allegations of crashes and deaths from un-remedied, recalled vehicles, the National Highway Traffic Safety Administration (NHTSA) opened AQ 10-001 to evaluate the remedy completion rates of rental car fleets. During the investigation, NHTSA has received completion rates information from several manufacturers and received additional information from several rental-car companies. As you may be aware, the audit query is ongoing and the Agency seeks additional information from Mercedes-Benz USA, LLC.

Senator Claire McCaskill, Chairman of the Subcommittee on Consumer Protection, Product Safety, and Insurance, and Senator Barbara Boxer have requested the Agency's view and analysis on proposed legislation – known as the Raechel and Jaqueline Houck Safe Rental Car Act – that would prohibit rental-car companies from renting recalled vehicles, unless the vehicle has been remedied. Specifically, Senators McCaskill and Boxer have requested the Agency's views on language proposed by the Alliance of Automobile Manufacturers that would apply the rental prohibition only to recalled vehicles that are subject to a “do not drive” or similar advisory from the manufacturer.

To analyze the Alliance's proposal, NHTSA seeks additional information concerning recalls for which the notification provided under 49 U.S.C. §§ 30118(b) or 30118(c) has included precautionary advice to refrain from driving the vehicle until the remedy specified by the recall was completed.

DEFINITIONS

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



1. "Mercedes" means Mercedes-Benz USA, LLC, including all of its divisions, subsidiaries, and affiliated enterprises and its employees, and all agents, contractors, consultants, attorneys and law firms, and others engaged directly or indirectly (e.g., employee of a consultant) by or under control of Mercedes (including all business units and persons previously referred to).
2. The term "you" or "your" refers to Mercedes.
3. The term "person" includes natural persons, proprietorships, partnerships, firms, corporations, federal, state, and local governments, all departments and agencies thereof, and any other governmental agencies, political subdivisions, groups, associations, or organizations, whether located in the United States or abroad.
4. The term "recall" means safety recall campaign for which notice of a defect or non-compliance was made under 49 U.S.C. §§ 30118(b) or 30118(c).

REQUESTS

NHTSA requires the following information in order to evaluate the potential effects of the suggested amendment. Pursuant to 49 U.S.C. § 30166, please provide numbered responses to the following information requests.

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

1. Identify, by the recall's NHTSA-assigned identification number, each recall conducted by you since January 1, 2000.
2. Provide the total number of vehicles covered by all recalls identified in response to Question No. 1.
3. Identify, by the recall's NHTSA-assigned identification number, each recall conducted by you since January 1, 2000 for which the notification required by 49 U.S.C. §§ 30118(b) or 30118(c) contained precautionary advice to refrain from driving the vehicle until the remedy specified by the recall was completed.
4. For each recall identified in Question No. 3, provide the total number of vehicles covered by the recall.
5. Provide the total number of vehicles covered by all recalls identified in response to Question No. 3.

Provide your responses in a table in Microsoft Access or Microsoft Excel format.

At this time, the agency is not requesting the supporting information and data Mercedes used in providing its responses to the above. You are cautioned, however, that NHTSA may request to review that information during the course of this investigation. Please do not discard or otherwise destroy that information.

Civil Penalties

Mercedes's failure to respond promptly and fully to this letter could subject Mercedes 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.) The Vehicle Safety Act, as amended, 49 U.S.C. § 30165(a)(3), provides for civil penalties of up to \$7,000 per violation per day, with a maximum of \$35,000,000 for a related series of daily violations, for failing or refusing to perform an act required under 49 U.S.C. § 30166. This includes failing to respond completely, accurately, and in a timely manner to ODI information requests. The maximum civil penalty of \$7,000 per violation per day is established by 49 CFR 578.6(a)(3). The maximum civil penalty of \$35,000,000 for a related series of daily violations of 49 U.S.C. § 30166 is authorized by 49 U.S.C. § 30165(a)(3) as amended by § 31203(a)(1)(B) of the Moving Ahead for Progress in the 21st Century Act, Public Law 112-141.

Due Date

Mercedes's response to this letter, in duplicate must be submitted to this office by **October 29, 2014**.

Please direct your response to me and note conspicuously on your response the investigation number assigned to this matter (e.g., AQ10-001). Should you have any questions or concerns, do not hesitate to contact me on (202) 366-0209 or by email at jennifer.timian@dot.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'J.T.', with a horizontal line extending to the right.

Jennifer T. Timian
Chief, Recall Management Division
Office of Defects Investigation
Enforcement