of Transportation

National Highway Traffic Safety Administration MAY 2 7 2010

1200 New Jersey Avenue SE. Washington, DC 20590

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. Frank Diertl General Manager, Engineering Services Mercedes-Benz USA, LLC One Mercedes Drive P.O. Box 350 Montvale, NJ 07645

NVS-212mjl PE10-017

Dear Mr. Diertl:

This letter is to inform you that the Office of Defects Investigation (ODI) of the National Highway Traffic Safety Administration (NHTSA) has opened a Preliminary Evaluation (PE10-017) to investigate allegations of steering column module (SCM) wiring harness failures on model year (MY) 2005 and 2006 Mercedes-Benz E-Class vehicles equipped with the telescopic steering column feature. As part of the investigation, this letter requests certain information from Mercedes-Benz USA (MBUSA).

This office has received five Vehicle Owner's Questionnaire (VOQ) reports of SCM wiring harness failures on MY 2005 and 2006 E-Class vehicles. The reports indicate that as a result of the wiring harness failure, the air bag warning lamp illuminated and the air bag system became disabled. Two of the reports are on the same vehicle experiencing multiple failures. An electronic image of each VOQ report has been e-mailed to your office. A list of the reference number of each report is shown at the end of this letter.

MBUSA issued a technical service bulletin (TSB P-B-91.60/99) in December 2005 and reissued several revised bulletins. The TSBs address reports of air bag warning lamp illumination accompanied by a diagnostic trouble code (DTC) 9103 or 9123 indicating a high resistance in the driver's frontal air bag ignition squib 1 or 2 (the air bag firing circuits), respectively. According to the TSBs, the original SCM wiring harness may be too short for telescopic movement of the steering column and it appears possible that the wire ends could pull out of the connector block. The high resistance or open-circuit condition in the driver's frontal air bag firing circuits may result in non-deployment or improper deployment of the driver's frontal air bag.

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

• <u>Subject vehicles</u>: All MY 2005-2006 Mercedes-Benz E-Class vehicles and all other Mercedes-Benz vehicles that were: (1) covered by TSB P-B-91.60/99 or any subsequent



revised bulletins, and/or (2) equipped with SCM wiring harnesses identical or substantially similar in design and layout as those in MY 2005-2006 E-Class vehicles.

- <u>Subject components</u>: The steering column module (SCM) wiring harness and connectors, including the SCM pigtail and the wiring harness located under the instrument panel.
- MBUSA: Mercedes-Benz USA, LLC, 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 MBUSA (including all business units and persons previously referred to), who are or, in or after 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: Any one or more of the following:
 - a. The illumination of the air bag warning lamp associated with the subject component or unknown causes (i.e., exclude reports of air bag warning lamp illumination associated with a component other than the subject component);
 - b. DTC 9103 or 9123 stored in the air bag control module;
 - c. Any failure, malfunction, or unsatisfactory operation or condition of the subject component (e.g., high resistance, open circuit, short circuit, intermittent circuit, improper, broken or damaged wiring harness or connector, etc.);
 - d. Non-deployment or improper deployment of the driver frontal air bag;
 - e. Asymmetrical deployment of the frontal air bags (i.e., front passenger air bag deployed but driver air bag did not deploy); and
 - f. Non-deployment of <u>both</u> frontal air bags associated with reported driver injury or death.
- <u>Document</u>: "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 MBUSA, 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 MBUSA 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 MBUSA has previously provided a document to ODI, MBUSA 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 MBUSA's response to each request, identify the source of the information and indicate the last date the information was gathered. On data retrievals (sales data, warranty data, etc.), the data shall be collected at the end of the monthly period (no partial month data) but no earlier than 15 days from the posted date of this letter.

- 1. State, by model and model year, the number of the subject vehicles MBUSA has manufactured for sale or lease in the United States. Separately, for each subject vehicle manufactured to date by MBUSA, 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."

- 2. State, by model and model year, the number of each of the following, received by MBUSA, or of which MBUSA 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 MBUSA is or was a party to the arbitration; and
 - f. Lawsuits, both pending and closed, in which MBUSA is or was a defendant or codefendant.

For subparts "a" through "f," 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 "f," provide a summary description of the alleged problem and causal and contributing factors and MBUSA's assessment of the problem, with a summary of the significant underlying facts and evidence. For items "e" and "f," 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. MBUSA'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."

- 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 MBUSA 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 MBUSA 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 (TSB) or customer satisfaction campaign.

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

- a. MBUSA's claim number;
- b. Vehicle owner or fleet name (and fleet contact person) and telephone number;
- c. Vehicle's 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. DTC stored in air bag system;
- j. Whether or not the claim is related to a TSB:
- k. Replacement part number(s) and description(s);
- 1. Concern stated by customer; and

m. 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."

- 6. Describe in detail the search criteria used by MBUSA 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 model and model year, the terms of the new vehicle warranty coverage offered by MBUSA 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 MBUSA 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 MBUSA 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 MBUSA 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, MBUSA. 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. 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. If an action is not complete, provide a detailed schedule for the work to be done, tentative findings and/or conclusions, and provide an update within 10 days of completion of the action.

9. Describe all modifications or changes made by, or on behalf of, MBUSA in the design, material composition, manufacture, quality control, supply, or installation 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 MBUSA is aware of which may be incorporated into vehicle production within the next 120 days.

- 10. Describe in the detail, by model and model year, the design and layout of the subject components in the subject vehicles. Your response should include, but is not limited to, the following information:
 - a. List of all components or systems electrically connected to the SCM;
 - b. All circuit diagrams for the SCM and driver air bag module;
 - c. The original length and layout of the SCM wiring harness (include photos of layout);
 - d. The minimum length of the SCM wiring harness necessary to prevent the occurrence of DTC 9103 or 9123; and
 - e. The full stroke or excursion of the telescopic steering column.
- 11. Provide, by model and model year, the following information regarding TSB P-B-91.60/99 and the subsequent revised bulletins:
 - a. The revised length and layout of the SCM wiring harness (include photos of layout);
 - b. A detailed discussion of all known and potential consequences of DTC 9103 and 9123 with respect to the operation of the frontal air bag system in the subject vehicles; and
 - c. A detailed discussion of the possibility of the wire ends pulling out of the connector block due to the problem addressed by the TSBs.
- 12. State the number of the subject components that MBUSA has sold 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 (including the cut-off date for sales, if applicable). Include any kits that have been released, or developed, by MBUSA for use in service repairs to the subject component/assembly which relate, or may relate, to the alleged defect in the subject vehicles.

For each component part number, provide the supplier's name, address, and appropriate point of contact (name, title, and telephone number).

13. Produce two of each of the following:

- a. Exemplar samples of each design version of the subject components used in the subject vehicles;
- b. Field-returned samples of each design version of the subject components from the subject vehicles associated with DTC 9103 and/or 9123; and
- c. Any kits that have been released or developed by MBUSA for use in service repairs to the subject component/assembly which relate, or may relate, to the alleged defect in the subject vehicles.

14. Furnish MBUSA's assessment of the alleged defect in the subject vehicles, 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. What warnings, if any, the operator would have that the alleged defect was occurring or subject component was malfunctioning; and
- f. The reports included with this inquiry.

This letter is being sent to MBUSA 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. MBUSA's failure to respond promptly and fully to this letter could subject MBUSA 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.) 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 MBUSA 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, MBUSA does not submit one or more requested documents or items of information in response to this information request, MBUSA 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.

MBUSA's response to this letter, in duplicate, together with a copy of any confidentiality request, must be submitted to this office by July 15, 2010. 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 PE10-017 in MBUSA's response to this letter. If MBUSA finds that it is unable to provide all of the information requested within the time allotted, MBUSA must request an extension from me at (202) 366-0139 no later than five business days before the response due date. If MBUSA 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 MBUSA then has available, even if an extension has been granted.

If MBUSA 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, MBUSA 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-113), National Highway Traffic Safety Administration, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. MBUSA 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 Mr. Michael Lee (Michael.Lee@dot.gov) and to ODI IRresponse@dot.gov when MBUSA sends it response to this office and indicate whether there is confidential information as part of MBUSA's response.

If you have any technical questions concerning this matter, please call Mr. Lee of my staff at (202) 366-5236.

Sincerely,

D. Scott Yon, Chief

Vehicle Integrity Division
Office of Defects Investigation

Peter C. Og, for

VOQ Reference Nos: 10298310, 10297534, 10285463, 10163005, 10161151