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

OCT 17 2012

1200 New Jersey Avenue SE.
Washington, DC 20590

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sean Beckstrom
Vice President-Legal Affairs
Graco Children's Products, Inc.
3 Glenlake Parkway
Atlanta, GA 30328

NVS-212jfa
PE12-031

Dear Mr. Beckstrom:

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 (PE12-031) to investigate allegations that the harness buckle of the child seat harness is difficult to unlatch or becomes stuck in a latched condition in model year (MY) 2009-2011 My Ride and Nautilus child seats manufactured by Graco Children's Products Inc., and to request certain information.

(ODI) has received 25 reports from consumers alleging difficulty in unlatching the harness buckle on their subject child seat, some stating that excessive force and/or effort was required to unlatch the harness. Nine of the complainants reported that they could not unlatch the buckle at all. Three complainants ultimately cut the harness to remove their child, while the other six managed to remove their child by pulling them though the still buckled harness. ODI is also aware of one report each on the MY 2011 Argos, Comfort Sport, and Smart Seat. The owner of the Argos also cut the harness to remove their child from the seat. Accordingly, and for comparative assessment, the subject child seats definition shown below has been expanded to include all MY 2009-2012 Graco child seats equipped with the same harness buckle(s) as used in the MY 2009- 2011 My Ride and Nautilus. A copy of each of the 28 reports, which are listed at the end of this letter, has been sent to your office electronically for your information.

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

- **Subject child seats:** all MY 2009-2012 child seats that were equipped with the subject components, and were manufactured for sale in the United States.

- **Subject components:** the harness buckle(s) used in the MY 2009-2012 My Ride and Nautilus model child seats.

- **Graco:** Graco Children's Products, Inc., all of its past and present officers and employees, whether assigned to their principal offices or any of their field or other locations, including all of their 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 Graco (including all business units and persons previously referred to), who are or, in or after 2007, were involved in any way with any of the following related to the alleged defect in the subject child seats:
  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 failure of the subject component that impedes the ability of, or otherwise prevents, a parent or caregiver from removing the child from the child seat.

- **Document:** "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 Graco, 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 non-identical 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 the Graco 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 Graco has previously provided a document to ODI, Graco 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 Graco's response to each request, identify the source of the information and indicate the last date the information was gathered.

1. State the number of all subject child seats Graco has manufactured, or imported for sale, in the United States, by model number and model year. Provide the data by monthly production volumes in a table in Microsoft Access 2010, or a compatible format (e.g., Excel), entitled "PRODUCTION DATA."

2. State the number of each of the following, received by Graco, or of which Graco is otherwise aware, which relate to, or may relate to, the alleged defect in the subject child seats:
   a. Consumer complaints;
   b. Reports from retailers or distributers;
   c. Reports involving a crash, injury, or fatality, based on claims against Graco involving a death or injury, or notices received by Graco alleging or proving that a death or injury was caused by the alleged defect in a subject child seats; and
   d. Lawsuits, both pending and closed, in which Graco is or was a defendant or codefendant.

For subparts "a" through "d," state the total number of each item (e.g., consumer complaints, reports from retailers, etc.) separately. Multiple incidents involving the same child seats 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 item "c" provide a summary description of the alleged problem and causal and contributing factors and Graco's assessment of the problem, with a summary of the significant underlying facts and evidence. For item "d", 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. Graco's file number or other identifier used;
   b. The category of the item, as identified in Request No. 2 (i.e., consumer complaint, report from retailer, etc.);
   c. Child seat owner's name, address, and telephone number;
   d. Child seat model number;
   e. Child seat model year;
   f. Child seats date of manufacture;
   g. Harness buckle/subject component part number;
   h. Incident date;
   i. Report or claim date;
   j. Whether the harness buckle was allegedly unable to be opened;
   k. Whether the harness was allegedly cut to facilitate removal of the child occupant;
   l. Whether Graco has possession of the subject child seat and or harness buckle;
   m. Number of alleged injuries; and
   n. Number of alleged fatalities.

   Provide this information in Microsoft Access 2010, 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, reports from retailers, etc.) and describe the method Graco used for organizing the documents.

5. State a total count for all of the following categories of claims, collectively, that have been paid by Graco that relate to, or may relate to, the alleged defect in the subject child seats: warranty claims; extended warranty claims; claims for good will services that were provided; or similar adjustments and reimbursements; and warranty claims or repairs made in accordance with a procedure specified in a technical service bulletin, customer satisfaction campaign, or other such activity.

   Separately, for each such claim, state the following information:
   a. Graco's claim number;

b. Child seats owner's name and telephone number;
c. Child seats model number;
d. Child sea model Year
e. Child seats date of manufacture;
f. Buckle part number
g. Repair date;
h. Repairing 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 the customer; and
m. Comment, if any, by the technician or person(s) making the repair, and/or the person(s) processing the claim that relate to the claim and/or repair.

Provide this information in Microsoft Access 2010, or a compatible format, entitled "WARRANTY DATA."

6. Describe in detail the search criteria used by Graco 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 child seats. State the terms of the new child seats warranty coverage offered by Graco on the subject child seats (i.e., the number of months for which coverage is provided and the child seats systems that are covered). Describe any extended warranty coverage option(s) related to the alleged defect that Graco offered for the subject child seats and state by option, model, and model year, the number of child seats 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 child seats that Graco has issued to any retailers or distributors, regional or zone offices, or other such entities. This includes, but is not limited to, bulletins, advisories, informational documents, training documents, or other documents or communications. Also include the latest draft copy of any communication that Graco 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 child seats that have been conducted, are being conducted, are planned, or are being planned by, or for, Graco. 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.

9. Describe all modifications or changes made by, or on behalf of, Graco 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 child seats. 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 child seats 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 Graco is aware of which may be incorporated into child seats production within the next 120 days.

10. Provide an exploded view drawing of the subject components identifying by name and part number all of its component parts. Separately, for each part, discuss its function in the operation of the buckle and its interaction with other buckle component parts. Also, provide engineering specification drawings for the subject components.

11. Provide a matrix (summary table) for all unique design levels of the subject components, which should include all part numbers, supplier identification information (name, address, part number, etc.), dates of component manufacture, and application by child seat model including the periods/dates of production usage for each child seat model identified.

12. Furnish Graco's assessment of the alleged defect in the subject child seats including:
   a. The causal or contributory factor(s);
   b. The failure mechanism(s);
   c. The failure mode(s);
   d. The risk to child seat safety that it poses;
   e. What warnings, if any, that the alleged defect was occurring or that the subject component was malfunctioning; and
   f. The reports included with this inquiry.

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

Graco's response to this letter, in duplicate, together with a copy of any confidentiality request, must be submitted to this office by November 30, 2012. **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 PE12-031in Graco's response to this letter and in any confidentiality request submitted to the Office of the Chief Counsel. If Graco finds that it is unable to provide all of the information requested within the time allotted, Graco must request an extension from me at (202) 366-0139 no later than five business days before the response due date. If Graco 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 Graco then has available, even if an extension has been granted.

If Graco 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, Graco 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-111), National Highway Traffic Safety Administration, Room W41-227, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. Graco 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 John Abbott (John.Abbott@dot.gov) and to ODI_IRresponse@dot.gov when Graco sends its response to this office and indicate whether there is confidential information as part of Graco's response.

If you have any technical questions concerning this matter, please call John Abbott of my staff at (202) 366-5221.

Sincerely,

10/18/12

D. Scott Yon, Chief
Vehicle Integrity Division
Office of Defects Investigation
Enforcement

My Ride and NautilusVOQ's: 10454450, 10454393, 10428246, 10421053, 10418155, 10413817, 10406827, 10397449, 10466250, 10463507, 10455029, 10454295, 10444493, 10413648, 10475529, 10444593, 10433600, 10410574, 10383056, 10366522, 10361369, 10475529, 10366645, 10477267, and 10478809.

Argos, Smart Seat, and Comfort Sport VOQ's: 10467797, 10430498, and 10456547