

DAIMLERCHRYSLER

October 4, 2005

Mr. Daniel Smith
Associate Administrator of Enforcement, Office of Vehicle Safety
National Highway Traffic Safety Administration
400 Seventh Street, S.W.
Washington, D.C. 20590

DaimlerChrysler Corporation
Stephan J. Speth
Director
Vehicle Compliance & Safety Affairs

05V-462
(8 pages)

Dear Mr. Smith:

DaimlerChrysler Corporation ("DCC") has decided to conduct a Product Improvement Action and to recall 2003-2005 Dodge Ram Heavy Duty (HD) pickups equipped with diesel engines and automatic transmissions to resolve concerns related to inadvertent rearward movement in these vehicles. Per an agreement with our respective staffs, DCC will provide NHTSA with quarterly completion reports on this action, as well as periodic complaint updates at a frequency and duration to be determined. In turn, NHTSA will close this investigation (EA04-025). This action does not constitute a defect determination, nor does it establish that DCC believes there is any issue related to inadvertent movement in the subject population of vehicles that is not completely dependent on the operator's behavior.

To put this issue in context, several observations are in order.

First, **there is no design or manufacturing defect** in these vehicles that causes them to be prone to unintended vehicle movement. After thorough inspections and evaluations of complaint vehicles and bench evaluation of the entire "Park" engagement system, DCC has found no evidence of a design or manufacturing defect, and NHTSA has not pointed to any such evidence, either.

Second, the safety risk presented by the incidents of unintended vehicle movement in these vehicles is **universally caused by the same driver error**: exiting the vehicle while the engine is still running and leaving the key in the ignition, failing to set the parking brake, and failing to place the shift lever properly in the "Park" position. DCC is unaware of any vehicle design from any manufacturer that is not theoretically susceptible to unintended vehicle motion under these circumstances. NHTSA itself has previously noted the same thing: "...the agency has acknowledged in recent years that any vehicle can fail to hold or engage in park if the driver fails to shift fully into park or to follow appropriate precautions when leaving any vehicle." ODI Staff Report in P85-15, Center for Auto Safety Petition on Ford Transmissions, at page 29 (July 3, 1985)(citing NHTSA Administrator testimony before Congressional subcommittee).

Third, **the transmission shift lever position is always displayed as "R" (Reverse)**

until the parking pawl is completely engaged in the Park position. Only then will the transmission shift lever indicator show “P” (“Park”). This visual cue accurately advises the driver of the transmission position. The vehicle will not move in reverse when the indicator shows that the transmission is in park. However, the vehicle is capable of reverse movement when it is engaged in the reverse transmission position, which is anytime that the electronic PRNDL display in the cluster shows “R”. This is the design intent of the reverse transmission position, and is not a defect.

Finally, because the incidents are caused by driver error and not by any defect in the vehicle’s design or manufacture, **the incident reports of unwanted vehicle movement are not “failures.”** They prove only that a vehicle left in an active transmission gear is capable of movement, just as if the vehicle were left in “D” (Drive) gear and the driver exited the vehicle with the engine running. These incidents are not “failures,” and are not prima facie evidence of a safety-related defect in the vehicles.

Since it has been proven that a subject vehicle properly placed in Park will not move inadvertently, and that the subject vehicles meet or exceed all applicable Federal standards, then the only remaining variable that could be possibly related to this condition is the action of the operator. Owners who have experienced these events (see figure 1) appear to fit a very homogeneous demographic profile, and they differ significantly from the typical Dodge Ram HD diesel buyer (see figure 2). Analysis of complaint data from this investigation shows that complainants are male (100% versus 88% for typical Ram diesel buyers), significantly older than the overall driving population (average age of complainant is 53.7 years) and much more likely to have previously owned one or more pickup trucks (93% versus 47% for typical Ram diesel buyers).

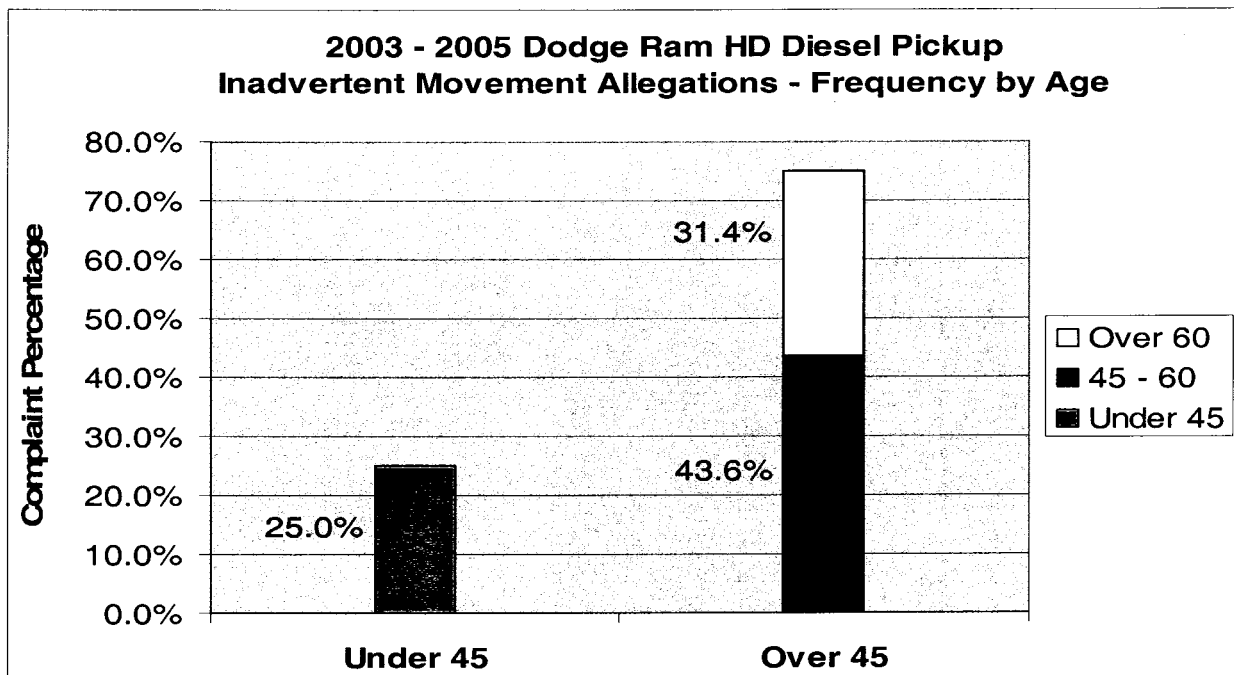


Figure 1

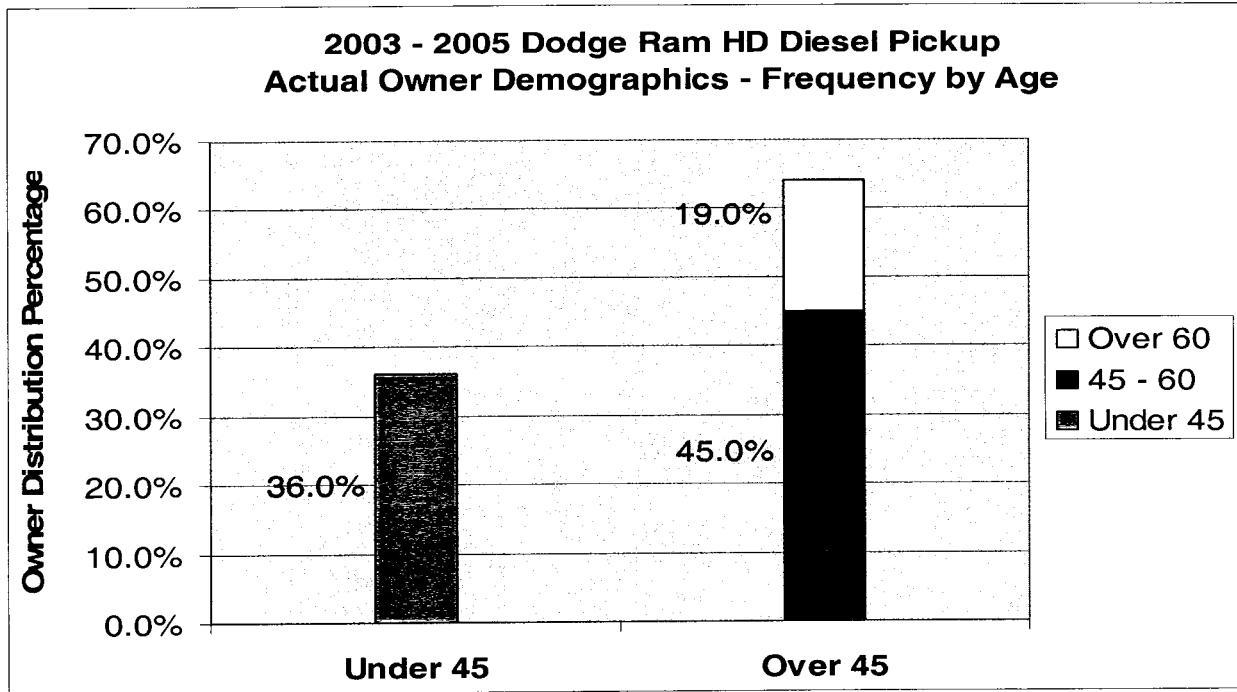


Figure 2

In fact, nearly one third (31.4%) of the complaints are from operators over 60 years of age, which represents only 19% of the typical buyer population. DCC postulates that this group likely has developed learned behaviors with respect to shifting column mounted automatic transmissions. Prior versions of the Dodge Ram pickup, as well as most competitive brands, employed a radial shift pattern about the axis of the steering column. The subject vehicles employ a slightly fore-aft shift pattern, which requires a different motion to shift the column mounted shifter. Although difficult to prove, this demographic evidence may explain the differences in the complaint rates between identically equipped vehicle populations. As evidence, the complaint rate on 2002 MY light duty Dodge Ram Light Duty pickups with identical hardware (transmission, shifter, park apply system) and ergonomics is virtually zero (see figure 3).

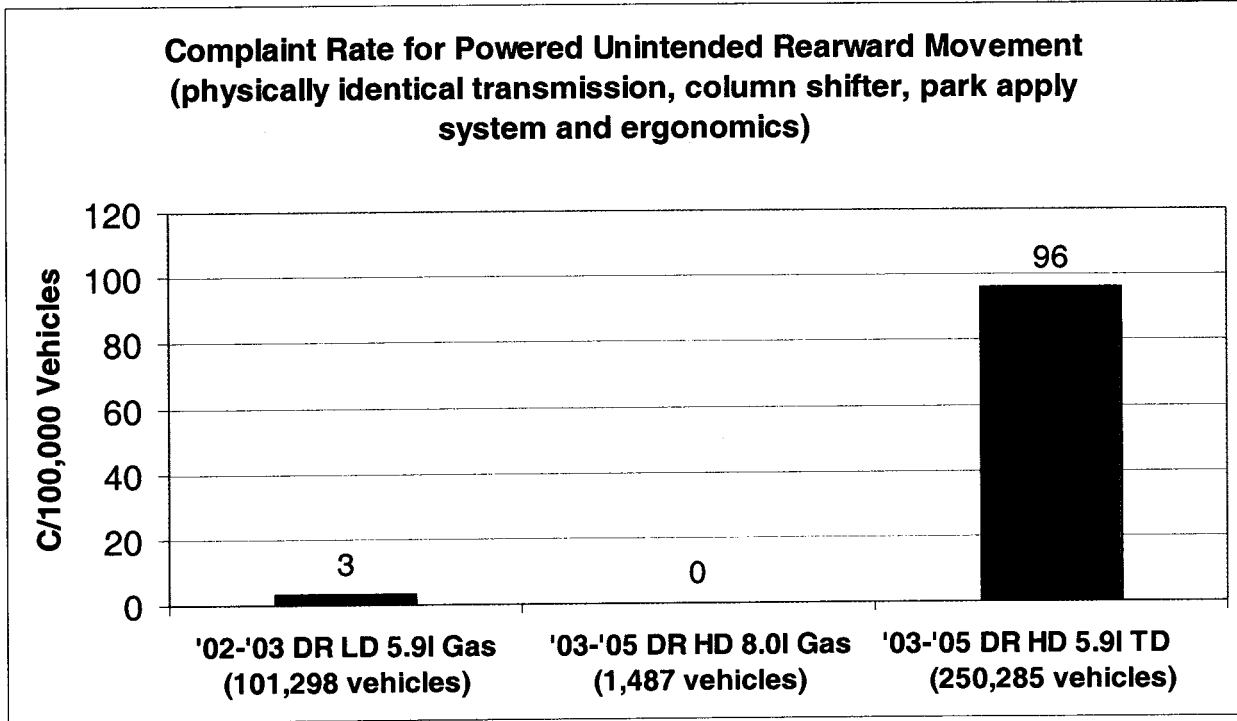


Figure 3

While DCC can instruct owners how to properly operate their vehicles and can warn them of the consequences if they do not, its vehicles are not “defective” merely because some operators fail to heed this advice. This is especially true if the alleged condition only affects a small portion of the population whose prior learned behavior seems to interfere with their ability to exercise appropriate judgment when operating a 6,000 pound vehicle.

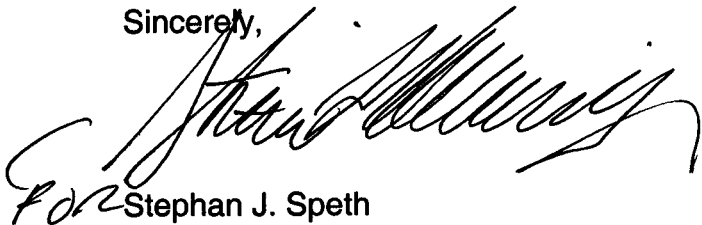
NHTSA has engaged in substantial rulemaking efforts to address the twin problems of transmission shift lever errors and unwanted vehicle rollaway – including the PRNDL sequence defined by NHTSA in FMVSS 102 and the anti-rollaway provisions defined by NHTSA in FMVSS 114 – a vehicle which meets or exceeds these directly relevant federal standards cannot be deemed “defective” merely because the operator fails to take reasonable care when operating it and fails to take basic precautions against vehicle rollaway when exiting the vehicle.

The above information notwithstanding, DCC desires to obtain closure with the agency regarding this issue. To resolve the investigation, and in an effort to alert owners of their error, DCC will equip the affected vehicles with an Out-of-Park alarm. This audible and visual alarm will be activated immediately when the driver leaves the vehicle in indicated reverse with the engine running, takes his foot off the brake, and opens the driver door.

DCC will formalize the requirements and instructions to dealers in the future. Copies will be

provided to NHTSA when available, and Vehicle Identification Number range and assembly plant information for the involved vehicles will also be furnished at that time. An Information Report regarding this action is attached.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephan J. Speth". The signature is written in a cursive style with a large initial "S".

For Stephan J. Speth

Enclosures: Information Report for DaimlerChrysler Corporation Recall E17

cc: K.C. DeMeter, NHTSA
Division of Occupational Safety & Health
California Department of Industrial Relations

Submission date: October 4, 2005

Identifying classification of vehicles potentially affected:

<u>Make</u>	<u>Model</u>	<u>Model Year</u>	<u>Inclusive Dates of Manufacture</u>	<u>Volume</u>	<u>Other</u>
Dodge	Ram 2500 Ram 3500 Pickup	2003 through 2005	06/2002 through 07/2005	250,433 (est.)	Equipped w/diesel engine & automatic transmission only

Estimated percentage containing issue: Operator Dependent

Description of Condition:

DaimlerChrysler Corporation (“DCC”) has determined that, in an attempt to exit the vehicle quickly without shutting off the engine and removing the key, the driver may inadvertently leave the automatic transmission shift control in indicated reverse. This error is an unintended action that may result in a lack of transmission park pawl engagement and possibly delayed rearward movement of the vehicle.

Background and chronology:

- On April 13, 2004 NHTSA opened investigation PE04-039 based on 9 allegations of 2003-04 MY Dodge Ram HD Pickups shifting from Park to Reverse after the vehicle had been “Parked” with the key still in the ignition and the engine running. The investigation was upgraded to EA04-025 on August 24, 2004.
- DCC is currently aware of 223 allegedly related incidences from all data sources, which include 21 personal injury claims and 202 crash claims. NHTSA also attributes 2 fatality incidences to the alleged condition. However, DCC strongly disputes this claim.
- DCC inspects allegations of inadvertent vehicle motion at the time of each complaint. None of the more than 200 vehicles inspected post complaint were deemed to have any physical issues with the transmission, shifter or transmission park system. In each case it was found that (i) the shift mechanism and electronic PRNDL display functioned properly; (ii) the transmission park lock would hold the vehicle on an incline and (iii) the key interlock functioned properly to prevent key removal unless the vehicle was properly engaged in the “Park” position. In each of these investigations, the inspector was unable to recreate the customer allegation of inadvertent rollaway while in the “Park” position.
- DCC also repurchased four (2-2003, 1-2004, 1-2005) complaint vehicles from the subject population for evaluation. The evaluations established that there are a number of substantial and unambiguous cues to ensure the proper placement of the gear lever which, in turn, ensures the achievement of gated “Park”. These cues include: the end of travel slam; forward movement and tactile feedback of the gear shift lever as the latched ‘Park’ gate is achieved; and the clearly visible electronic gear indicator (PRNDL)

located in the cluster. All operated properly as designed, and it was determined that if the shifter were placed in the Park gate, the vehicle would not move.

- NHTSA's joint inspection with DCC of the 2 alleged fatality vehicles failed to identify any design or manufacturing malfunction with either vehicle. Both operated properly as designed, and it was determined that if the shifter were placed in the Park gate, the vehicles would not move. Videotaped evaluations documented this result.
- It was established that to prevent such incidents, the subject vehicles were designed with an intentional bias so that the electronic gear indicator (PRNDL) will continue to display "R" during rotation from "Reverse" to "Park", the park pawl will engage the output shaft, and prevent the vehicle from moving prior to the shift lever reaching gated "Park" and displaying "P". The reverse lights will also remain illuminated as long as the gear indicator displays "R".
- The investigation revealed no specific vehicular element that could explain the rate of complaint in the subject vehicle population. In fact, the complaint rate on 2002 MY light duty Dodge Ram pickups with identical hardware and ergonomics is virtually zero. The only possible explanation points to the apparent homogenous demographic grouping of the complainants. With nearly 93% previously owning one or more pickup trucks, and, an average age of over 53 years old, this group likely has developed learned behaviors with respect to shifting column mounted automatic transmissions. Prior versions of the Dodge Ram pickup, as well as most competitive brands, employed a radial shift pattern about the axis of the steering column. The subject vehicles employ a slightly fore-aft shift pattern, which requires a different motion to shift the column mounted shifter. Although difficult to prove, this demographic evidence may explain the differences in the complaint rates between identically equipped vehicle populations. A Difference in the shift motion, which is compliant with all federal standards, cannot be equated with a defect, however.
- Based on all of the data analyzed, the investigation showed that the unintended vehicle movement described in the complaints resulted from the driver failing to fully place the transmission shifter into the Park gate, and exiting the vehicle while it was still running. All of the voluntary and mandated safety devices designed to prevent such movement (transmission key interlock, parking brake, electronic PRNDL display, brake transmission shift interlock, and owner's manual instructions) were defeated by the operator's decision to leave the running vehicle unattended.
- The subject vehicles can be, and are, driven everyday without incident by the overwhelming majority of their owners. There is nothing inherent in the design or manufacture of the Dodge Ram Heavy Duty Diesel Pickup which prevents it from being operated safely. These vehicles are in no way defective.
- This data was presented to the Vehicle Regulations Committee (VRC) on September 27, 2005. To avoid a protracted dispute with the government, the VRC decided to conduct a Product Improvement Action and to recall all 2003-2005 Dodge Ram Heavy Duty Pickups equipped with diesel engines. DCC will equip the affected vehicles with an Out-of-Park alarm. This audible and visual alarm will be activated immediately when the driver leaves the vehicle in indicated reverse with the engine running, takes his foot off the brake, and opens the driver door. The recall will be executed in a manner consistent with NHTSA's regulations and corporate processes applicable to safety related recalls. This action does not constitute a defect determination.

Statement of measures to be taken:

All affected vehicles will receive a software modification to equip them with an Out-of-Park alarm. DCC plans to implement distribution and national notification to both dealers and owners when the software becomes available. DCC's scheduling information for implementing this recall is not available at this time.