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DEFECTS INVESTIGATION
RECALL MGMT DIV.



December 11, 2007

07V-590
(2 pages)

CERTIFIED E-MAIL
RETURN READ RECEIPT REQUESTED

Associate Administrator for Enforcement
National Highway Traffic Safety Administration
U.S. Department of Transportation
1200 New Jersey Avenue, SE
West Building
Washington, DC 20590

Dear Associate Administrator:

Pursuant to 49 CFR Part 573, Monaco Coach Corporation (“Monaco” or the “Company”) is submitting this report to NHTSA concerning a safety recall campaign, which is being voluntarily initiated. Specific information is as follows:

573.5(c)(2)

The affected vehicles include the following Class A Motorhomes in the United States:

Monaco: 2008 Dynasty (39), 2008 Executive (2) and 2008 Signature (18)

Holiday Rambler: 2008 Imperial (10) and 2008 Navigator (9)

Beaver: 2008 Marquis (6) and 2008 Patriot (12)

The affected motorhomes were manufactured from August 27, 2007 through November 14, 2007.

573.5(c)(3)

A total of **one hundred and one** (101) Class A motorhomes are in the total recall population. Of this total, **ninety six** (96) are in the recall population for the United States and **five** (5) were exported.

573.5(c)(4)

TRW Automotive (“TRW”) estimates that fifty two percent (52%) of the steering gears produced during this period contain a potentially defective sector shaft. Monaco will be campaigning one hundred percent (100%) of the recall population as we cannot determine which of the steering gears manufactured during this time period contain the defective sector shafts. Fifty four (54) motorhomes in the United States recall population have been repaired. Therefore, forty two (42) motorhomes still need to have the repair performed, or approximately forty four percent (44%) of the United State recall population.

The recall population was determined from purchase records supplied by TRW and from the manufacturing records for the Company's manufacturing facility in Coburg, Oregon, which produced the affected vehicles. Monaco did receive one hundred and nine (109) potentially affected steering gears from TRW per the records, but four (4) steering gears were returned to TRW and four (4) are currently unaccounted for.

573.5(c)(5)

The defect involves the TRW TAS 85 model steering gears that Monaco purchased from TRW. According to TRW, the inner surface of the outer sector shaft teeth may have an incorrect gear tooth involute profile. The incorrect gear tooth involute profile was produced with an incorrect gear shaper cutter which left excess material on the face of the teeth. The incorrect gear tooth involute profile on the defective sector shafts may interfere with the rack-piston teeth, resulting in a "stick or bind" condition. The interference can cause chips of hard material to break off of the sector shaft teeth. The chips of material, in some applications, can stay within the tooth system, being crushed by the gear or limiting the gear's travel. This condition has the potential to cause the steering gear to stall and restrict the steering turning angle of the vehicle at about 1.25 steering wheel turns into a turn, out of a total available of 2.5 to 3.0 steering wheel turns in either direction.

573.6(c)(6)

TRW notified Monaco of a potential issue with these steering gears they found during normal in-process production line testing and stated that TRW would be filing a defect report with NHTSA. Monaco received confirmation that TRW filed a 573 report on December 4, 2007. Monaco Coach Corporation is currently not aware of any casualties or losses related to this issue.

573.5(c)(8)

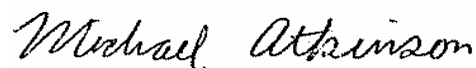
Monaco Coach Corporation will be sending a notification letter to all current owners of motorhomes in the recall population. The remedy for the defect will be to replace the potentially defective steering gear and possibly performing an alignment. This remedy will be done at no cost to the owner.

As noted above, it is our understanding that TRW has forwarded to NHTSA its 573 defect information report. Copies of the drafts of owner and dealer notification letters will be forwarded shortly when completed for your review. Repair instructions and final owner and dealer notification letters will be provided pending approval and recall number. The Company is prepared to begin owner and dealer notification in January 2008.

Please acknowledge receipt of this defect information report and provide the recall number that will be assigned by NHTSA to this campaign.

Thank you for your assistance.

Sincerely,



Michael Atkinson
Recall Administrator
Monaco Coach Corporation