

BMW Group

March 23, 2011

Ms. Nancy Lummen Lewis
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
1200 New Jersey Ave., S.E.
Washington, DC 20590

**Re: Recall Campaign
Battery Cable Insulated Bulkhead Connector
2004-2010 BMW 5-Series, 6-Series**

Dear Ms. Lewis:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act of 1966 and 49 CFR Part 573.

Pursuant to Section 573.6(c), we submit the following information.

1. **Manufacturer:** Bayerische Motoren Werke AG (BMW AG)

Designated Agent: Thomas C. Baloga
BMW of North America, LLC
Woodcliff Lake, New Jersey 07677

2. **Make:** BMW

Model Year / Model: **Inclusive Dates of Manufacture:**

2004-10 / 5-Series Sedan	Jun. 1, 2003 – Dec. 31, 2009
2006-10 / 5-Series Sports Wagon	Mar. 1, 2005 – Mar. 31, 2010
2004-10 / 6-Series Coupe	Sep. 1, 2003 – Jul. 31, 2010
2004-10 / 6-Series Convertible	Dec. 1, 2003 – Jul. 31, 2010
2006-10 / M5 Sedan	Jul. 1, 2005 – Dec. 31, 2009
2007-10 / M6 Coupe	Feb. 1, 2006 – Jul. 31, 2010
2007-10 / M6 Convertible	Jul. 1, 2006 – Jul. 31, 2010

3. The number of vehicles affected is approximately 367,682 as follows:

<u>Model</u>	<u>Approximate Number Affected</u>
5-Series Sedan	300,419
5-Series Sports Wagon	9,223
6-Series Coupe	15,374
6-Series Convertible	27,034
M5 Sedan	8,788
M6 Coupe	3,572
M6 Convertible	3,272

4. The percentage of vehicles estimated to actually contain the condition is less than 1%.

Company

BMW of North America, LLC

BMW Group Company

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5. The issue involves the bolt connecting the positive battery cables at the insulated bulkhead connector in the vehicle's trunk. The positive battery cable routed from the battery in the trunk to the engine compartment consists of one cable in the trunk, and a separate cable at the vehicle's underbody. These two cables are connected via a bolt connection in the vehicle's trunk. This bolt connection is secured to the trunk floor panel by an insulated bulkhead connector.

In rare cases, the insulated bulkhead connector may have been incorrectly attached to the trunk floor panel. Over time, this can lead to a loosening of the bolt connection. If this were to occur, an increase in electrical resistance at this cable connection is possible, which in isolated instances could cause the cable connection to overheat. In addition, an incorrectly attached insulated bulkhead connector could allow humidity to accumulate at this location causing current leakage increasing also the possibility of a overheat condition.

In an extreme case, overheating could lead to smoldering of the floor mat that could lead to a fire in the vehicle trunk area, and ultimately a vehicle fire even in a vehicle with the ignition in the off position.

6. BMW became aware of this matter in 2006 calendar year where incidents occurred on vehicles only in Europe (Germany and Sweden). A detailed investigation and analysis of these incidents was conducted, but did not result in identifying any specific fault pattern that would explain the occurrences in the field. Nevertheless, the field continued to be monitored.

Three incidents in the US became known in April 2009, November 2009, and May 2011. These cases were immediately analyzed and were reported as required to NHTSA via its Early Warning Reporting system. Again, no specific fault pattern was identified.

Additional cases in Europe continued to be reported. In April 2011, a task force was created to intensively analyze this issue and evaluate the damage symptoms and determine any early indicators or systematic fault pattern. At that time, special environmental or operational conditions around the battery terminal areas were being investigated.

As of June 2011, 65 pre-owned vehicles were inspected at dealership sales lots in Denmark/ Sweden to determine the current state or condition of the terminals. Parts were analyzed but did not provide any revealing environmental indicators. Analysis of other dealership vehicles in UK and Spain were conducted in July but also did not reveal any indicators.

As of August 2011, a total of 200 pre-owned vehicles were inspected and analyzed at dealers in different markets in Europe. Early results showed differing environmental conditions based on European regions, and further analysis was needed.

In October 2011, test plans (short term and long term) were developed to analyze new and aged parts under several environmental conditions (humidity, salt, climate changes, etc.), that would be conducted in several climate chambers. Tests were initiated on October 9, 2011 and concluded on February 6, 2012. Test results revealed that environmental factors or conditions were not a contributor to the root cause.

Concurrent testing was also conducted on the insulated bulkhead connector. An incorrect attachment was simulated and evaluated. On March 12, 2012, results indicated this condition ultimately led to the identification of the root cause of the issue affecting vehicles in the field.

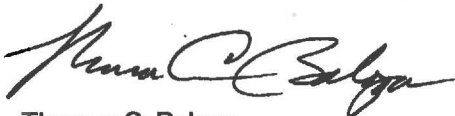
On March 16, 2012, BMW decided to conduct a voluntary recall.

BMW has not received any reports, nor is BMW otherwise aware, of any accidents or injuries related to this issue.

7. Not applicable.
8. The insulated bulkhead connector of the battery cable bolt connection will be inspected and secured as necessary. In addition, protective grease will be added to the area and the battery plastic cover will be replaced.

BMW expects to complete dealer notification by end of March. BMW expects to begin notification to owners in April and be completed by middle of May.
9. Not applicable.
10. A copy of the Service Bulletin will be submitted when available.
11. A draft copy of the owner notification letter will be submitted when available.
12. Not applicable.

Sincerely,



Thomas C. Baloga
Vice President, Engineering-US

Attachment