

These changes will also be reflected in the reporting templates.

JPMA commented that child restraint systems are often returned to the manufacturer for inspection following a consumer complaint. In many cases, the inspection may also cover aspects of the system not directly related to the complaint of the customer who returned the restraint. JPMA cited as an example, "a restraint returned for a customer complaint of a 'sticky buckle' may be inspected and deemed to have a properly functioning buckle, but the inspector notes a deformation in the seat shell that indicates potential misuse." JPMA asked how a "field report" describing that inspection should be categorized in the quarterly report.

The fact that the employee or representative of the manufacturer who conducted the inspection believes that the buckle functioned properly and that the shell may have been misused in service does not excuse the manufacturer from reporting both of these conditions in the field report category. A written communication does not have to be verified or assessed to have merit to be reported in this category (see definition of "field report"). In the example given, the report would be included in the number of field reports under both "buckle and restraint harness" and "seat shell" since there was an indication of a review and assessment related to both components. However, the original consumer complaint would only have to be reported in the "buckle and restraint harness" category.

Finally, JPMA pointed out that the template on NHTSA's Web site for reporting incidents of death or injury contains five spaces for entering a code number corresponding to one of four component codes, one for "other" and one for "unknown," a total of six possibilities. JPMA asked that the templates be revised to add a sixth space.

We do not believe that this is necessary. The spaces in the template are not dedicated to particular component categories, and there are no circumstances under which all six spaces would be required (e.g., a manufacturer reporting problems in all four component categories, and "other" as well, will not be reporting "unknown").

#### **VII. Petition by RMA To Reconsider Some Requirements of Section 579.26 That Apply to Manufacturers of Tires**

RMA asserted that the vast majority of property damage claims fail to provide information needed to properly categorize the tire or assign the proper

component code for reporting. It cited a recent survey in which each of its six members reviewed ten consecutive property damage claims; of the 60 claims, only 13 had information concerning the condition of the tire allegedly associated with the claim. For this reason, it asked that tire manufacturers not be required to report a property damage claim until it had inspected a tire.

Section 579.26(c) requires a report on the number of property damage claims "which involve the components specified in codes 71 through 73, and 98;" that is to say, a tire manufacturer must report claims involving tread, sidewall, bead, or a component other than tread, sidewall, and bead. The operative word here is "involve." A property damage claim need not be reported until the component "involved" in the claim is identified in some fashion (especially for code 98). However, this does not mean that the manufacturer can wait until it inspects the tire, since the claim itself may identify an alleged problem component, and, in any event, the result of a manufacturer's inspection cannot justify a failure to report based on a claim. The manufacturer would include the claim in the number of claims for the quarter in which the component is identified, even if that is a different quarter from the one in which the manufacturer initially receives the claim. If the component is never identified, either by the claimant or upon the manufacturer's inspection of the tire, the manufacturer would not have to report the claim.

RMA asked us to reconsider the decision we made in issuing the final rule (67 FR at 45853) not to include "customer satisfaction conditions" as a reportable category under "warranty adjustments." We have re-examined the discussion of this issue in the NPRM (66 FR 66190), RMA's comment to it, and our response in the preamble to the final rule, cited above. We have concluded that it is not necessary to establish a separate category to address RMA's concern. To explain: in the NPRM, proposed Section 579.27(c) referred to reporting by tire manufacturers of "warranty claims (adjustments)." The NPRM defined "warranty claim" as including any claim presented to a manufacturer for payment pursuant to "good will." "Good will," in turn, was defined in the NPRM as repair or replacement "not covered under warranty." RMA commented that not all good will claims would be captured in the categories of "warranty claims (adjustment)" that manufacturers must report on" and that to capture all good

will claims, we should add a category of "customer satisfaction conditions."

The final rule differed from the proposal. With respect to tire manufacturers, the final rule adopted the term "warranty adjustment," which was defined without reference to good will, i.e., a "warranty adjustment" is "payment or other restitution" by a tire manufacturer made pursuant "to a warranty program offered by the manufacturer." The definition adopted for "good will," which applies to all manufacturers, included, as proposed, repair or replacement "not covered under warranty." The issue raised by RMA is that the warranty (adjustment) systems of tire manufacturers may or may not have separate entries/designations for "good will." Thus, if a manufacturer's warranty (adjustment) program does not include restitution where the tread, bead, sidewall, or other component has not performed satisfactorily due to adverse operating conditions, customer abuse, or service abuse, but the manufacturer nevertheless compensates for them, it would not have to report these restitutions as "warranty adjustments." However, this is not what we intended. To address this, we are amending the definition of "warranty adjustment" to include reference to "a warranty program offered by the manufacturer or good will."

Notwithstanding this change, we also want to confirm that we adhere to our view that we do not want to receive data on warranty adjustments that do not relate to one or more of the four identified component categories. Information about adjustments made for other reasons (e.g., replacing three additional tires when only one experienced a problem) would not help us to identify potential safety defects.

In the NPRM, we proposed that a manufacturer of tires need only report information (other than incidents involving a death, as specified in paragraph (b) of this section, if the tires of the same size and design were not manufactured or imported in quantities greater than 15,000 in any single calendar year. However, the final rule substituted for the figure 15,000 "tires that are limited production tires or are otherwise exempted from the Uniform Tire Quality Grading Standards [UTQGS] by Section 575.104(c)(1)" (i.e., "deep tread, winter-type snow tires, space-saver or temporary use spare tires, tires with nominal rim diameters of 12 inches or less"). See the last sentence in the introductory paragraph of Section 579.26. A "limited production tire" is one that meets four criteria, "as applicable," which are posited on