

NISSAN GROUP
OF NORTH AMERICA



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August 26, 2016

Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
West Building, Ground Floor, room W12-140
Washington, D.C. 20590-0001

**Re: U.S. DOT Docket Number NHTSA-2016-0065
Reports, Forms, and Record keeping Requirements**

Dear Mr. Rea,

In response to the Agency's Request for Public Information published on June 27, 2016, Nissan North America, Inc. ("Nissan") submits the enclosed comments. Nissan's response addresses and provides comment on the National Highway Traffic Safety Administration's (NHTSA) proposed extension to approved collection of information pursuant to OMB No. 2127-0004.

Sincerely,

A handwritten signature in cursive script that reads "Tara Underwood".

Tara Underwood
Senior Manager, Technical Compliance
Nissan North America, Inc.

**COMMENTS OF NISSAN NORTH AMERICA, INC. TO THE
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION
Request for Public Information; 49 CFR Parts 573 and 577
Reports, Forms, and Record keeping Requirements
June 27, 2016 (Docket No. NHTSA–2016-0065)**

Nissan North America, Inc. (“Nissan”) offers the following comments in response to the Request for Public Information on Reports, Forms and Record Keeping Requirements. Under procedures established by the Paperwork Reduction Act of 1995, NHTSA is soliciting public comment on proposed collections of information, including extensions and reinstatement of previously approved collections, before seeking approval from the Office of Management and Budget (OMB).

In this submission, Nissan is providing estimates regarding the potential man hours/time spent and costs required to comply with the requirements set forth in 49 CFR Parts 573 and 577. Nissan’s estimates include current processes necessary to produce the below information required by the regulations.

In regards to manufacturer notification to NHTSA, the Agency states:

“We continue to estimate that it takes a manufacturer an average of 4 hours to complete each notification report to NHTSA and that maintenance of the required owner, purchaser, dealer, and distributors lists requires 8 hours a year per manufacturer. Accordingly, the subtotal estimate of annual burden hours related to the reporting to NHTSA of a safety defect or noncompliance and maintenance of owner and purchaser lists is 5,616 hours annually ((854 notices x 4 hours/report) + (275 MFRs x 8 hours)).

Nissan estimates that it spends two (2) to three (3) days (16-24 hours) to complete each Defect Information Report (DIR), based on an eight (8) hour day. This varies based on the size and complexity of the recall.

In regards to dealer and distributor notification, the Agency states:

In addition, we continue to estimate an additional 2 hours will be needed to add to a manufacturer’s Part 573 Safety Recall Report details relating to the intended schedule for notifying its dealers and distributors, and tailoring its notifications to dealers and distributors in accordance with the requirements of 49 CFR § 577.13.

Nissan’s experience shows that the task requirement of the Dealer notification varies based on the complexity of the recall. Nissan typically works up to five (5) business days/forty (40) hours to craft the Dealer announcement with the appropriate repair protocol and other essential information to provide to dealers. The announcement creation includes coordinating with multiple departments in order to notify and instruct the dealers/retailers on how to execute the remedy.

In regards to providing the Agency copies of communications regarding defects and noncompliances, the Agency states:

49 USC § 30166 (f) requires vehicle manufacturers to provide to the Agency copies of all communications regarding defects and noncompliances sent to owners, purchasers, and dealerships. Manufactures must index these communications by the year, make, and model of

the vehicle as well as provide a concise summary of the subject of the communication. We estimate this burden requires 30 minutes for each vehicle recall.

Nissan agrees with the Agency's estimate.

In regards to manufacturer preparation concerning customer reimbursement, the Agency states:

As for the burden linked with a manufacturer's preparation of and notification concerning its reimbursement for pre-notification remedies, we continue to estimate that preparing a plan for reimbursement takes approximately 8 hours annually, and that an additional 2 hours per year is spent tailoring the plan to particular defect and noncompliance notifications to NHTSA and adding tailored language about the plan to a particular safety recall's owner notification letters.

In order to meet the Agency's regulations and requirements, Nissan estimates the following:

- The Consumer Affairs Department:
 - Maintains a website for customers to submit reimbursements related to campaigns. The yearly budget for maintaining and updating the site is approximately \$24,000.
 - Updates to the website take approximately four (4) hours to complete. This does not include the development of the customer facing information (e.g. Notification and Q&A).
 - Additional time is required to disseminate internal documents to Consumer Affairs staff that we estimate takes about one (1) hour per month.
- The Field Quality Assurance department spends an average of four (4) hours per issue creating the reimbursement plan.
- The Technical Compliance department spends an average of thirty (30) minutes per campaign to add the reimbursement specific language to the owner notification letter.

In regards to costs associated with manufacturer VIN lookup tool, the Agency states:

The estimated costs to industry for one-time infrastructure expenses to create a VIN-based recalls lookup service consisting of 108 hours, and costing a total of \$45,000, will now be removed from this information collection.

Nissan agrees with the Agency's cost/time estimation for this task.

In regards to the additional burden associated with database creation and setup, the Agency states:

Each manufacturer was also required to establish requirements, analysis, and designs for their new recalls look-up tools. These additional burdens stemmed from: the creation of the VIN search interface; database setup to host the recall information; data refresh procedures to populate recall information; server side VIN code lookup and recall status retrieval; integration with existing manufacturer website; and application testing. We estimated these burdens to total 1,332 hours and \$130,005 and these costs will now be removed from this information collection.

Nissan estimates the burden to build and implement the interface would equate to a total three-thousand (3,000) hours with an estimated cost of approximately \$90,000.

In regards to the costs associated with database administrator support and application/web server management, the Agency states:

We estimate that 100 burden hours will be spent on system and database administrator support. These 100 burden hours include: backup data management and monitoring; database management, updates, and log management; and data transfer, archiving, quality assurance, and cleanup procedures. We estimate another 100 burden hours will be incurred on web/application developer support. These burdens include: operating system and security patch management; application/web server management; and application server system and log files management. We estimate these burdens will total 1,800 hours each year (9 MFRs x 200 hours). We estimate the recurring costs of these burden hours will be \$30,000 per manufacturer.

Nissan agrees with the Agency's estimates.

In regards to the one-time startup costs that manufacturers would assume to provide recall information to the NHTSA website, the Agency states:

The Agency previously estimated one-time startup costs that manufacturers would assume in order to meet certain technical access requirements to provide recall information to NHTSA's website. We estimated that the total one-time costs to the industry from these technical access requirements would require 1,914 burden hours (27 MFRs x 72 hours) and total \$189,270 (27 MFRs x \$7,010) and we are now removing these costs from this information collection.

Nissan agrees with the Agency's estimates.

In regards to the one-time startup costs manufacturers incurred to create a VIN list for 15 years of recall information, the Agency states:

The Agency previously estimated one-time startup costs manufacturers incurred to create a VIN list for 15 years of recall information. We estimated that the total one-time costs to the industry from this VIN list creation would require 1,620 hours (27 MFRs x 60 hours). We are now removing these costs from this information collection.

Nissan agrees with the Agency's estimates.

In regards to updating the VIN status of vehicles remedied under the remedy program, the Agency states:

Changes to 49 CFR Part 573 in 2013 required 27 manufacturers to update each recalled vehicle's repair status no less than every 7 days, for 15 years from the date the VIN is known to be included in the recall. This ongoing requirement to update the status of a VIN for 15 years continues to add a recurring burden on top of the one-time burden to implement and operate these online search tools. We believe it will take no more than 1 hour, and potentially much less with automated systems, to update the VIN status of vehicles that have been remedied under the manufacturer's remedy program.

Nissan agrees with the Agency's estimates.

In regards to the time it takes to create and submit the quarterly reports, the Agency states:

Our previous estimate of 3,000 quarterly reports received annually is now revised up to an average of 3,800 reports annually. The quarterly reporting burden now totals 15,200 hours (3,800 quarterly reports x 4 hours/report).

Nissan estimates that it takes 10 minutes per report to gather the required information. In any give quarter, Nissan may have up to 30 recalls to report on. We estimate a total of 5 hours per quarterly report (10 minutes per report x 30 reports), with 4 reports per year. So a total of 20 hours per year spent on preparing the reports.

Nissan estimates that it takes an additional 1 hour to upload the completion rate information for the entire quarterly report. This is based on searching for each recall individually and entering the information one recall at a time. This adds another 4 hours per year to upload the information to the NHTSA safety portal.

In regards to the burden associated with setting up the online recall portal with pertinent contact information, the Agency states:

We continue to estimate a small burden of 2 hours annually in order to set up a manufacturer's online recalls portal account with the pertinent contact information and maintaining/updating their account information as needed.

Nissan agrees with the Agency's estimates.

In regards to the time required to amend a Part 573 report with new information, the Agency states:

We continue to estimate that 20 percent of Part 573 reports will involve a change or addition. At 30 minutes per amended report, this totals 86 burden hours per year (854 recalls x 20 = 171 recalls; 171 / 2 = 86 hours).

Nissan believes that this will vary based on the complexity and size of the recall. Nissan estimates the Agency's estimate is a bit conservative and an additional amount of time, with up to one (1) hour per amended report would be required.

In regards to the amount of time it takes to draft an owner notification letter, the Agency states:

We continue to estimate that it takes manufacturers an average of 8 hours to draft their notification letters, submit them to NHTSA for review, and then finalize them for mailing to their affected owners and purchasers.

Nissan agrees with the Agency's estimates.

In regards to the time it takes to draft an interim owner notification, the Agency states:

We previously calculated that about 25 percent of past recalls did not include an owner notification mailing within 60 days of the filing of the Part 573 Safety Recall Report. However, recent trends show that only about 10 percent of recalls require an interim owner notification mailing. Under the regulation, manufacturers must send two letters in these cases: an interim notification of the defect or noncompliance within 60 days and a supplemental letter notifying owners and purchasers of the available remedy. Accordingly, we estimate that 680 burden hours are associated with this 60-day interim notification requirement (854 recalls x .10 = 85 recalls; 85 recalls times 8 hours per recall = 680 hours).

Nissan agrees with the Agency's estimates. However, if the interim letter is complex in nature, this can increase to ten (10) hours.

In regards to the estimate cost for first class mail owner notification, the Agency states:

As for costs associated with notifying owners and purchasers of recalls, we continue to estimate this costs \$1.50 per first class mail notification, on average. This cost estimate includes the costs of printing, mailing, as well as the costs vehicle manufacturers may pay to third-party vendors to acquire the names and addresses of the current registered owners from state and territory departments of motor vehicles.

Nissan agrees with the Agency's estimates.