

22357 Columbia Street
Dearborn, MI 48124-3431
313-277-5095

11 June 2009

VIA FEDEX # 8696-6728-3492

President Barack Obama
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500
202-456-1414

Subject: Severe Injury and Death Victims of Automotive Safety Defects
Reference: Chrysler LLC and General Motors "Bankruptcies"

Dear President Obama:

Attached are four photographs of the late Mrs. Susan Kline. Please take a moment to review these items.

I have also attached recent news coverage related to the subject. I would like to discuss the subject and the enclosures with you at your earliest convenience.

Sincerely and respectfully,

Paul V. Sheridan
National Champion,
Civil Justice Foundation

Courtesy Copy List Attached

First Lady Michelle Obama
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500
202-456-1414

Mr. Rahm Emanuel
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500
202-456-1414

Sen. Frank Lautenberg (D-NJ)
324 Hart Senate Office Building
District of Columbia 20510-3003
202-224-3224

Sen. Robert Menendez (D-NJ)
528 Hart Senate Office Building
District of Columbia 20510-3004
202-224-4744

Rep. Rodney Frelinghuysen (R-NJ)
2442 Rayburn House Office Building
District of Columbia 20515-3011
202-225-5034

Dr. Joseph Pennacchio (R-26th)
101 Gibraltar Drive, Suite 1-A
Morris Plains, New Jersey 07950
973-984-0922

Mr. Clarence Ditlow
Center for Auto Safety
1825 Connecticut Ave, NW. Suite 330
Washington, DC 20009-5708
202-328-7700

Ms. Angel M. DeFilippo, Esq.
Grieco Oates & DeFilippo, LLC
414 Eagle Rock Avenue
West Orange, NJ 07052
973-243-2099

Governor Jon S. Corzine
Office of the Governor
PO Box 001
Trenton, NJ 08625
609-292-6000

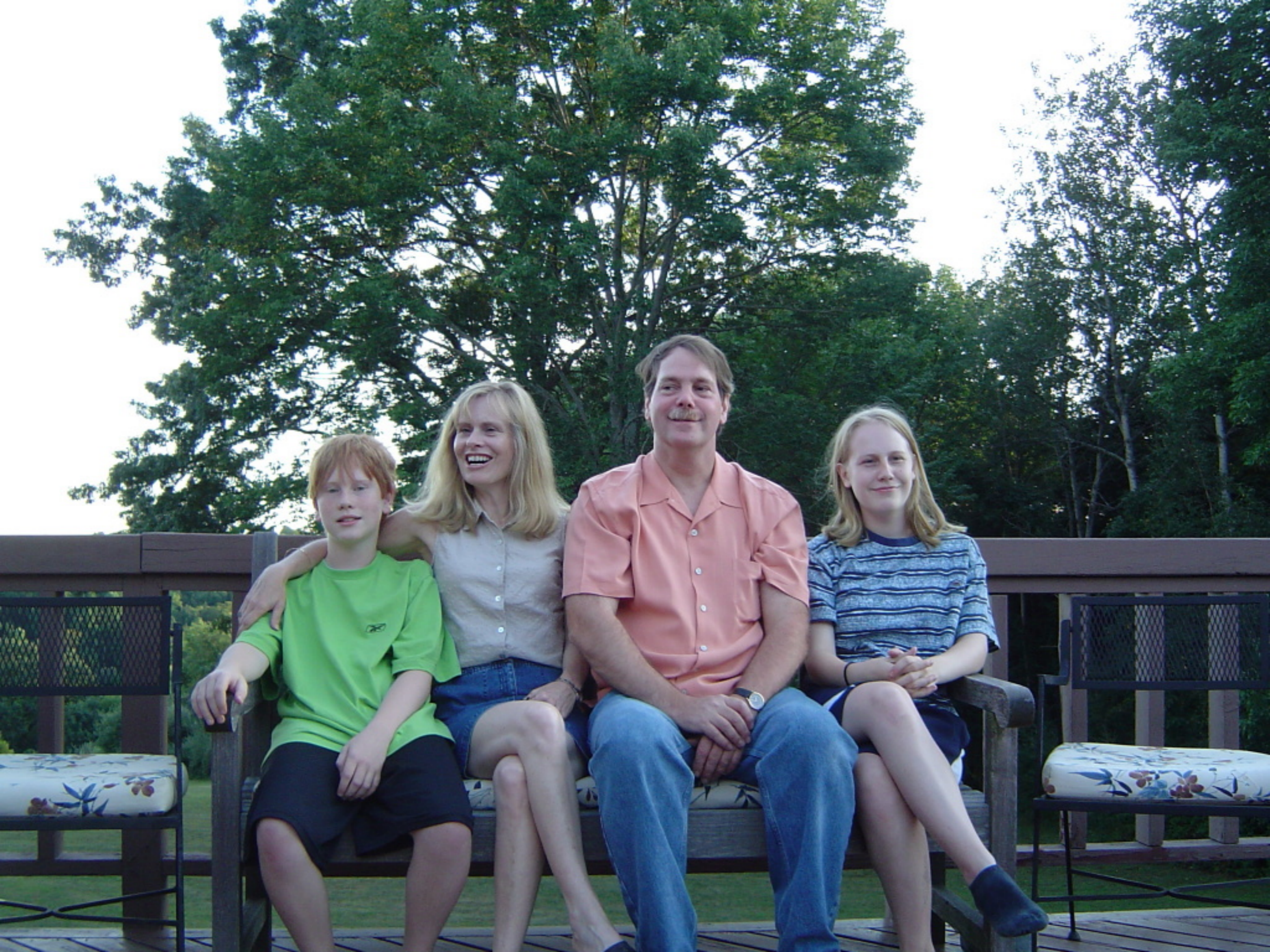
Rep. John Conyers Jr. (D-MI)
2426 Rayburn House Office Building
District of Columbia 20515-2214
202-225-5126

Mr. Ray LaHood
U.S. Department of Transportation
1200 New Jersey Ave, SE
Washington, DC 20590
202-366-4000

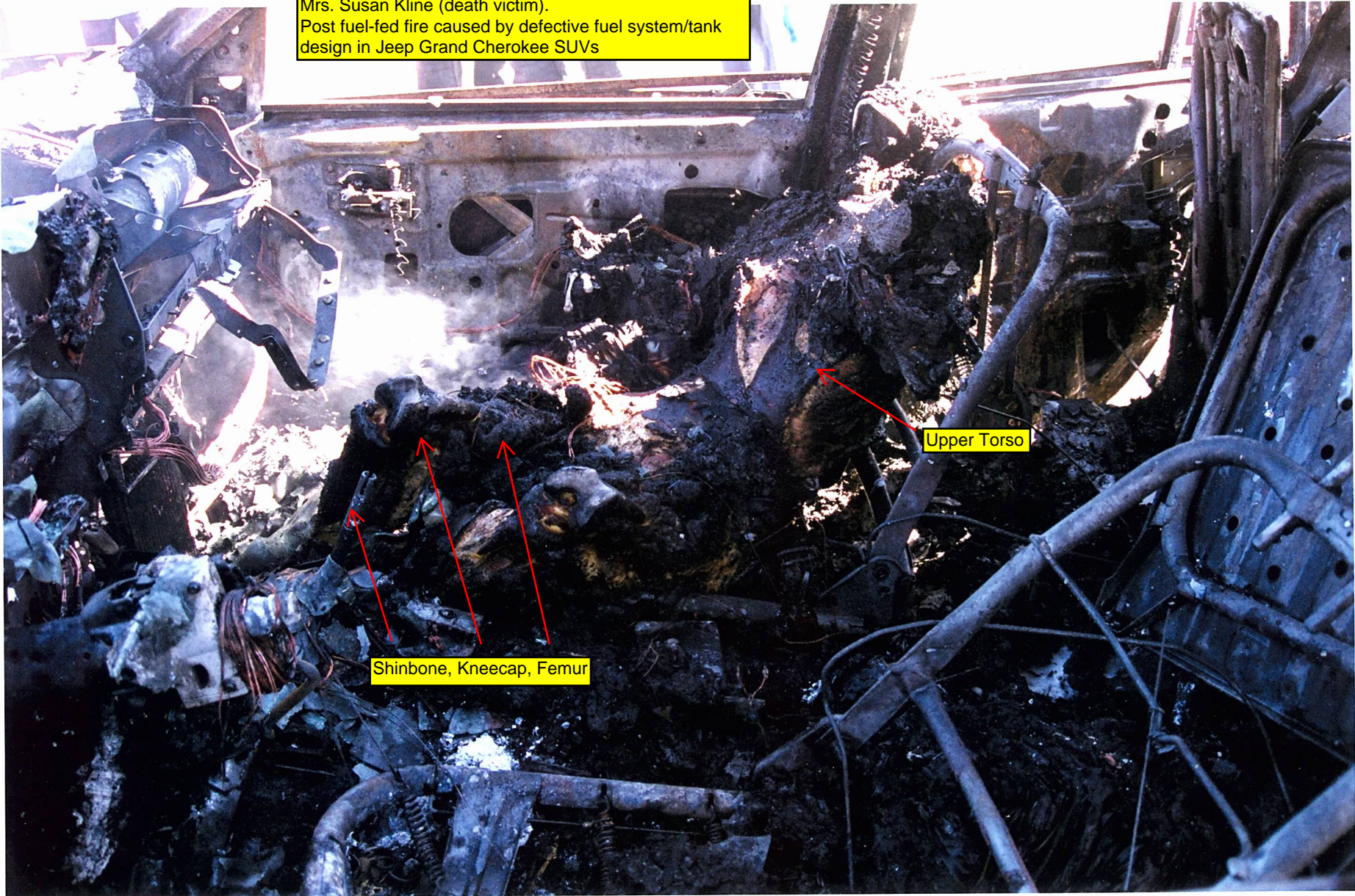
Judge Arthur J. Gonzalez
US Bankruptcy Court, Southern Dist. Of NY
Courtroom 523
One Bowling Green
New York, New York 10004
212-668-2294



BROTHERHOOD
OF
THIEVES



Mrs. Susan Kline (death victim).
Post fuel-fed fire caused by defective fuel system/tank
design in Jeep Grand Cherokee SUVs




Upper Torso

Shinbone, Kneecap, Femur



Skull

 Click to Print

[SAVE THIS](#) | [EMAIL THIS](#) |

[Close](#)

Posted on Sun, Jun. 7, 2009

Two-time victims in Chrysler's bankruptcy

By Jeff Gelles

Inquirer Staff Writer

Susan Kline wasn't even supposed to work that Saturday in February 2007. But a fellow employee had a conflict, so Kline offered to help. She left her husband and teen children at home in Morris County, N.J., and headed down Interstate 287 toward her office.

She never made it. Kline, 49, burned to death on the highway, moments after her Jeep Grand Cherokee was rear-ended by a minivan.

Tom Kline's voice still trembles when he recounts the parade of horrors that followed.

First there was word of the crash from his small town's mayor and police chief. Then their request for dental records "because there's really nothing left to identify," as one of them put it. Then having to share his sudden grief with the couple's children: Kim, then 16, and her brother, Chris, 13.

In the two years since Susan's death, Tom Kline has been trying to rebuild his life. But last week, he suddenly faced a new source of anguish: word that a federal Bankruptcy Court had decided to wipe out his product-liability lawsuit against Chrysler, manufacturer of the 1996 Grand Cherokee that Kline and his attorney blame for Susan's death.

In his ruling last Sunday, U.S. Bankruptcy Court Judge Arthur Gonzalez said public policy was served in a bankruptcy sale - such as the sale of the old Chrysler's assets to Italy's Fiat - by allowing "a purchaser to assume only the liabilities that promote its commercial interests."

Not all consumer protections were wiped away. Under terms of the deal Gonzalez approved, "New Chrysler" agreed to honor certain consumers' rights, such as warranty and lemon-law claims. But the new company will have no further responsibility for injury and wrongful-death claims linked to defects in cars sold by "Old Chrysler."

Consumer advocates and product-liability lawyers, who warned against the plan before Gonzalez's ruling, are continuing to fight. They say the decision undercuts a key element in a highly imperfect regulatory system: that consumers most harmed by vehicles' design defects, or survivors such as Tom Kline, should at least be compensated for their losses.

In an interview last week, Kline said he felt as if defect victims were being treated as "collateral damage," especially given the heavy hand of the federal government in the bankruptcy and sale.

Kline said he knows Chrysler's collapse has harmed millions of others, including workers, dealers, and investors. But he said most of those losses pale beside the severe injuries and deaths suffered by defect victims.

"I'm a little aggravated that they're using taxpayer money to bail out companies that are essentially shirking any and all responsibilities to those people who lost the most," said Kline, vice president of a printing firm in Parsippany, N.J.

If Gonzalez's decision stands, Kline will not get the chance to prove his claim - that Chrysler manufactured and sold a vehicle prone to catastrophic fires in rear-end collisions. In its initial reply to Kline's suit, the automaker denied the allegation.

Chrysler spokesman Michael Palese said Friday that the 1996 Jeep Grand Cherokee "meets or exceeds all federal safety standards and has an outstanding safety record." He said its fuel-tank placement or design had never been the target of a recall or investigation by regulators.

But Kline's attorney, Angel DeFilippo, said Chrysler was aware of risks associated with the vehicle's design, in which the gas tank is behind the rear axle.

DeFilippo said Susan Kline's horrific accident illustrated the risk.

She said the vehicle that hit Kline's rode underneath the rear of Kline's Jeep, or "submerged" into it, in a crash that wasn't severe enough to cause other injuries. Both other drivers walked away, DeFilippo said, and an autopsy of Kline's remains showed no signs of severe injury beyond her burns.

The attorney said that Kline, trying to escape flames that first raged to her left, was found on the passenger seat, on top of her purse. She had apparently climbed over the center console,

only to find that the crash had jammed the passenger door.

"She burned to death trying to get out," DeFilippo said.

Paul Sheridan, a former Chrysler product manager who expected to testify in Kline's case, said federal safety standards "are not adequate for the real world, and the industry knows it."

"With that vehicle, just backing up into a high curb can split the tank open," Sheridan said. "It has a plastic, unshielded tank that was known to be defective the moment it left the factory."

How many fires have there been? Sheridan cannot say, in part because automakers know how to work the system. He said they agreed to settle cases, but only if the details are kept private - and from other car owners.

Bankruptcy experts say it is not uncommon for companies to try to escape future product-defect liabilities in search of a "fresh start." But courts do not necessarily go along. At the least, they sometimes require that a pot of money be set aside for future claims.

The amount would have to be large to be meaningful. By one estimate, Chrysler currently faces about \$600 million in liability claims.

David Skeel, a law professor at the University of Pennsylvania, said the strongest claims would come from those who have no idea today that they might someday have a claim, such as people who may one day be in accidents caused by other drivers' defective Chryslers.

Skeel said the government's involvement in the bankruptcy bolsters the victims' case.

"If you're going to pick and choose who gets paid, there's a pretty strong argument that the victims of Chrysler cars have a moral claim," he said.

Contact staff writer Jeff Gelles at 215-854-2776 or jgelles@phillynews.com.

May 29, 2009

Major flaw in Detroit bankruptcies

Deals weaken safety-defect liability protection for consumers

By Paul V. Sheridan

On April 30, President Obama announced that Chrysler was being forced into bankruptcy by a group of minor investment firms that had "decided to hold out for an unjustified taxpayer-funded bailout." Flanked by his Auto Task Force, Obama complained, "They were hoping that everybody else would make sacrifices, and they would have to make none. I do not stand with them." The White House promoted for public consumption an alleged effort to avoid bankruptcy. **Did these minor firms serve as a convenient excuse for another purpose?**

April 30 was the arbitrary deadline for major stakeholders to offer huge financial concessions as the basis for avoiding bankruptcy. The Canadian Auto Workers, the United Auto Workers, the suppliers, dealers and retirees of Chrysler, the major investors, and Fiat all offered their due. We were then told that this cooperation justified the transfer of billions of taxpayer dollars from the U.S. Treasury to Chrysler. But if these major players have all agreed, what truly motivates the so-called bankruptcy? Who benefits? And most importantly, who loses?

(Another major deadline looms Monday regarding General Motors and possible bankruptcy.)

Within minutes of the Obama announcement regarding Chrysler, though, plaintiff attorneys received a document entitled, "Notice of Suggestion of Bankruptcy." This frantic distribution by Chrysler lawyers occurred before New York Judge Arthur Gonzalez had read the Chrysler Chapter 11 filing. The primary motivation for bankruptcy is confirmed by the Notice, "In accordance with the automatic stay imposed by Section 362 of the bankruptcy code no cause of action (lawsuit) may be commenced or prosecuted against Chrysler." Ironically, Section 362 was not demanded by the new managers from Fiat; they had originally intended to honor the lawsuits.

The president had declared that Chrysler vehicle owners could rely on the government to back repairs covered under warranty. If your transmission fails, he will stand with you.

However, if your spouse burned to death due to a fuel system defect, and you are actively seeking redress through product litigation, Obama does not stand with you because of Section 362. Clarence Ditlow, director at the Center for Auto safety explains, "We met with the Auto Task Force, and they claim to know nothing about the issue of liability lawsuits except to say that everyone including consumers had to share the pain."

Does Obama concur that the "pain" imposed on Chrysler stakeholders, who have been bailed out by our tax dollars, is equivalent to the pain inflicted on a family whose mother was horribly burned to death due to a safety defect? Can we believe that the president, a Harvard Law School graduate and former editor of the Harvard Law Review, knows nothing about liability lawsuits?

The bankruptcy laws were drastically changed in 2005 by the Bush administration to allow corporate executives to detail the "restructuring." Chrysler is now asking Judge Gonzalez to deny lawsuit pass-through to the new owners of Chrysler. Previously, there would be no legal rebuttal; it's standard bankruptcy law. But in this situation the new owner is the U.S. taxpayer.

Here, deployment of bankruptcy law is a ruse. In truth, we are not grappling with a bankruptcy issue; we are dealing with a constitutional issue. For the first time in history, a taxpayer-funded bailout is being administered as "bankruptcy" in order to deploy Section 362. A pure bailout has no such provision. And if this is truly bankruptcy, then why is the taxpayer footing the bill?

There is no precedent for this blatant abuse of the unsuspecting taxpayer who had no say and no representation. Essentially, Obama is demanding that Chrysler safety-defect victims pay to have their own lawsuits dismissed. Is this vicious fleecing allowed by the Constitution?

Is this "change we can believe in"? Can we stand with the president if he does not stand with safety-defect litigants who lost everything, but stands with taxpayer-funded stakeholders who lost nothing? Can we stand with Obama if he demands that taxpayers bankroll a so-called Chrysler "bankruptcy" that accommodates golden parachutes and dealership closures, but not the Constitution?

Can we stand with Obama if he allows the safety defects of old Chrysler vehicles to remain on-the-road, uncorrected and in-use by generous taxpayers who were never honestly told that their right to a jury trial was subverted by his "surgical bankruptcy"? Current and future plaintiffs - the taxpayers, for example - are merely asking the president for their day in court, nothing more.
