



U.S. Department
of Transportation
National Highway
Traffic Safety
Administration

400 Seventh Street, S.W.
Washington, D.C. 20590

OCT 26 2000

Mr. Paul Sheridan
22357 Columbia Road
Dearborn, Michigan 48124

NSA-10bay
Ref. #556297

Dear Mr. Sheridan:

Thank you for your correspondence dated September 25, 2000. Your correspondence was forwarded to our agency by Congressman James A. Traficant, Jr. for a response. Your letter urges adoption of a bill introduced by Senator Herbert Kohl, S.3070, the Defective Products Penalty Act, and refers to several motor vehicles safety issues. Congressman Traficant requested that we respond directly to you.

As you requested, our agency is looking into the matter. We regret that this review is taking longer than we anticipated, but we hope to complete it within the next few weeks.

If I can be of further assistance, please contact me at (202) 366-2111 or you may contact Mr. Kenneth N. Weinstein, Associate Administrator for Safety Assurance, at (202) 366-9700.

Sincerely,

Charlotte Hrcir
Director of Intergovernmental
and Congressional Affairs

cc: Honorable James A. Traficant, Jr.



DOT AUTO SAFETY HOTLINE
1-888-DASH-2-DOT

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

25 September 2000

Mr. Rodney Slater, Secretary
Department of Transportation
400 Seventh Street, SW
Washington, D.C. 20590

Reference : S-3070 : Defective Products Penalty Act

Dear Secretary Slater:

Ten years ago Senator Herbert Kohl (D-WI) introduced S-957, the Sunshine in Litigation Act, only to be vilified by special interest lobbyists and possibly governmental agencies such as NHTSA. That pattern of cooperative, conscious deceit continues to this day, and has resulted in not only needless injury and death, but now the necessity of S-3070, the Defective Products Penalty Act.

Your testimony at the House Commerce Committee meetings indicates that you may not be fully informed, specifically in terms of automotive safety regulatory details, and how recent historical details characterize the "root cause" of the Ford/Firestone tire defect issue(s). Recognizing her new appointment as NHTSA administrator, the testimony of Dr. Sue Bailey is also uninformed. I say this respectfully.

I am not an expert on the Ford/Firestone tire defect issue(s), but my work in automotive safety has rendered an expertise that provides insight into how such issues evolve, and will continue unabated unless mitigated by Congressional action. My expertise is derived in-part from my role as chairman of the Chrysler minivan Safety Leadership Team (SLT). I was chairman of the 15-member SLT from late 1992 until its disbanding by upper Chrysler management and legal staffs in November 1994.

The following discussion involves Chrysler, NHTSA and the Department of Justice (DOJ). I will show that the "root cause" of the current situation is *not* the plaintiff's defects barr. The latter is merely a notorious symptom. My fundamental concern is borne, not just in the context of the Chrysler minivan safety defects described, but in the demonstrated lack of private/public leadership and dedication to automotive safety. I will discuss the following topics to accredit my concerns/expertise :

- A. The Defective Chrysler Minivan Liftgate Latch Remains Unfixed (1984 to 1995 AS - Body)
- B. Chrysler Minivans Do Not Offer Adequate Protection from Impacts at Side Sliding Doors
- C. Chrysler Minivans Do Not Protect from Injury and Death in Roll-Away Accidents
- D. Chrysler Minivans Do Not Offer Adequate Post-Collision Fire Protection
- E. NHTSA Refuses to Enforce Its Own Safety Standards : Minivan FMVSS-214 Failures
- F. **Department of Justice Assistance to Special Interests - Chrysler Corporation : FOIA Lawsuits and NHTSA Defect Investigation Conspiracy**

Section F has alarmed members of Congress. It should of great concern to *any* public official, especially when analyzed in the context of the children that died as a direct result. Section F will provide substantial historical justification for Congressional passage of the Defective Products Penalty Act.

A : THE DEFECTIVE CHRYSLER MINIVAN LIFTGATE LATCH REMAINS UNFIXED (1984 TO 1995 AS - BODY)

Chrysler lawyers and executives had become aware of my intentions and inquiries regarding the reporting of minivan liftgate latch safety defect information to NHTSA. As a result, during the Christmas holidays of 1994, my office files were raided by Chrysler Security, I was fired from eleven years of professional service without notice, and was "muzzled" *ex parte* by Judge Hilda Gage of the Michigan Oakland Circuit Court.

After my March 1995 interview with *ABC News 20/20*, Chrysler hurriedly announced a "Service Action" to replace minivan liftgate latches with "new stronger latches". However, without demanding a safety defect warning to the public regarding the old latch, and without conducting thorough real-world testing of the replacement latch, and with full-knowledge that the proposed replacement latches were not yet available (!) NHTSA agreed to, what Chrysler called, a "non-recall". Documents later released into the death case of Jimenez vs. Chrysler indicated that Kathleen DeMeter, head of the NHTSA Office of Defects Investigation (ODI) assisted with the authorship of the "no defect - no recall" letters later sent to minivan owners.

On 28 March 1995 I gave a follow-up interview with *ABC News 20/20*. I declared Chrysler's so-called "Service Action" a fraud. My basis was that the replacement latches could not correct the safety defect.

On 11 April 1995 I was interviewed by two NHTSA lawyers. I provided statements and documents regarding minivan safety defect concerns. A NHTSA report was written, but I was repeatedly denied access to the report. *However Chrysler was granted by NHTSA unilateral access to the report, and was given the unilateral right to edit, modify and redact the trip report as they saw appropriate.* The documents that I provided detailed additional concerns/recommendations to Chrysler management. *But NHTSA granted to Chrysler a protection for those documents under the standard 'confidential and trade secrets' ruse.* As presented below, NHTSA's granting of these unilateral rights and protections later contributed to injury and death in Chrysler minivans (Attachment 1).

During the 11 April 1995 interview, I stated that the "Service Action" latch promoted by Chrysler and agreed to by NHTSA, could not correct the minivan liftgate latch safety defect. I discussed many aspects of my position, from lack of compliance with FMVSS-206, to that of corrosion. Was my opinion correct?

There are many ways to approach that question; I will limit myself to three at this time :

1. Please read the 27 March 1995 "Service Action" news conference transcript for the Chrysler Minivan Executive Engineer. Please note that at no time does this engineer (now at Ford) state emphatically that the defect has been corrected. Why not? (Attachment 2)
2. I have been listed to testify in no less than four death and severe injury cases involving ejections from minivans that NHTSA and Chrysler claim contain the fixed latch. Because of the enormous public relations, commercial, and legal implications of these types of cases, as soon as Chrysler was notified of my involvement the litigation was/is frantically settled, with strict confidentiality orders requested by Chrysler and granted by the courts.

3. The so-called "Service Action" latch never underwent any corrosion testing by NHTSA or Chrysler. Indeed, the only place where corrosion "testing" has taken place is in the real-world. The testing is crucial, especially with the service latch due to a phenomenon called 'dissimilar metals corrosion'. The "Service Action" reinforcing plate is different than the original latch base plate.

I am in possession of the "bungie latch". The minivan customer was forced to return to the dealership to get the replacement latch replaced (!) because the first replacement failed due to dissimilar metals corrosion, and was inoperative; stuck in the 'open' position. "Bungie latch" was a nickname given by mechanics who were flabbergasted by the customer's use of several bungie cords strapped across their minivan liftgate to keep it closed during the return trip to the dealer. I have spoken to this minivan customer, who was/is very unhappy. In time, all of the "Service Action" latches will fail in this dissimilar metals corrosion mode.

I was recently involved in a minivan latch failure/ejection death case in Philadelphia. After being notified of my involvement, Chrysler settled *Bey vs. Chrysler* just prior to the August 2000 trial, and was granted a confidentiality order by the (federal) judge.

I am currently involved in a minivan latch failure/ejection severe injury case in Los Angeles. The little boy is now reportedly suffering from permanent brain damage after being ejected during an April 2000 accident. Similar to every other minivan latch failure/ejection case, the parents in *Herrera vs. Chrysler* were told by NHTSA and Chrysler that the existing latch was not a safety defect, and that the so-called Service Action latch was offered merely to give "peace of mind."

No jury has *ever* believed the NHTSA/Chrysler "peace of mind" ruse. Both the original and "Service Action" AS-Body liftgate latches are defective.

My NHTSA interview words and documents of 11 April 1995 presented this issue, but these discussions remained hidden from the public due to NHTSA's granting of unilateral rights and protection to Chrysler.

B : CHRYSLER MINIVANS DO NOT OFFER ADEQUATE PROTECTION FROM IMPACTS AT SIDE SLIDING DOORS

The current door standard, FMVSS-206, does not adequately address the real world collision dangers to minivan side sliding doors. The FMVSS-206 standard requires a strength test that has a vector which is perpendicular to the minivan bodyside. That mode is illogical for side sliding doors since the opening mode is not perpendicular, like the familiar hinged doors, but is parallel to the minivan bodyside.

Despite our internal knowledge at Chrysler that side sliding doors must protect minivan occupants from what is commonly called the "side swipe" accident, and despite the fact that all competitive minivans address this accident mode by using *two* latches on their side sliding doors (one on the B-pillar and one on the C-pillar); Chrysler continues to offer only one latch at the *rear* C-pillar.

Earlier this year I was deposed in a severe injury/death case in Texas involving a side-swipe to a Chrysler NS-Body minivan. If Chrysler management had followed my/SLT recommendation to upgrade to a dual latch system, similar to the Ford Windstar, the Texas accident would not have involved a "peeling away" of the sliding door, and subsequent passenger space intrusion. It was a horrific scene.

No Chrysler minivan offers dual latch protection to the occupants located next to the side sliding doors, and as such represent a real world safety defect. Chrysler settled the Texas case in June 2000, just prior to trial, and was granted a confidentiality order by the judge in LeCompte vs. Chrysler (Attachment 3).

My NHTSA interview words and documents of 11 April 1995 presented this issue, but these discussions remained hidden from the public due to NHTSA's granting of unilateral rights and protection to Chrysler.

C : CHRYSLER MINIVANS DO NOT PROTECT FROM INJURY AND DEATH IN ROLL-AWAY ACCIDENTS

The 1984 through 2000 Chrysler minivan is the only minivan that does not provide a rudimentary safety device called 'Park-Shift Interlock'. This safety feature requires application of the brake pedal before the interlock will mechanically allow movement of the transmission shift lever from Park. All competitive minivans and vehicles have Park-Shift Interlock.

All of my/SLT requests to upgrade the Chrysler minivan with Park-Shift Interlock were rejected by Chrysler management on the basis of cost (i.e. profit margin), and/or the lack of a NHTSA regulatory requirement for such protection, etc.

I have been/am involved in two lawsuits where injury or death was caused by the lack of Park-Shift Interlock in the Chrysler minivans. The Hoglund vs. Chrysler case involved a Chrysler AS-Body minivan. In July 2000 Chrysler settled this severe injury case just prior to trial, and was granted confidentiality protection (Attachment 4).

I am currently involved in the case of Golden vs. Chrysler. This case involves a Chrysler NS-Body minivan. The death of this pregnant mother is too gruesome to describe, and as a matter of courtesy and consideration to the family I will refrain from doing so here.

All 1996, 1997, 1998, 1999, and 2000 Chrysler NS-Body minivans are defective because these models do not include Park-Shift Interlock. Since industry usage of Park-Shift Interlock began as early as 1988, an argument could be made that earlier Chrysler minivans models are also defective. You will note that Chrysler has already recalled and corrected this safety defect on the 1984 through 2000 Jeep products.

My NHTSA interview words and documents of 11 April 1995 presented this issue, but these discussions remained hidden from the public due to NHTSA's granting of unilateral rights and protection to Chrysler.

D : CHRYSLER MINIVANS DO NOT OFFER ADEQUATE POST-COLLISION FIRE PROTECTION

I have been/am a fact witness in two Chrysler minivan cases wherein the victim's dental records were compared with the accident scene corpses to confirm the latter's identity.

Unlike competitive minivans, the Chrysler minivan does not offer adequate post-collision fire protection. The safety defect involves the lack of a fuel system shut-off switch, which provides protection in all accident modes, with full 360 degree inertial deactivation capability. Every vehicle on the American highway should have this level of occupant protection, never mind children/passenger-intensive vehicles like the minivan.

During 1993 and 1994 I had identified this defect in the existing Chrysler AS-Body minivan, as well as the planned next-generation NS-Body minivan. My recommendation to upgrade both minivan versions with a fuel system shut-off switch was rejected by Chrysler management on the basis of cost (i.e. profit margin), and/or the lack of a NHTSA regulatory requirement for such protection, etc.

I was involved in an Atlanta case wherein a 14-year-old girl burned to death in a post-collision fire in an AS-Body minivan. Witnesses to the accident scene were prepared to testify regarding the girl's screaming as the fire swept through the Chrysler minivan. Once notified of my involvement, Chrysler settled the Davis vs. Chrysler case just before trial, and was granted confidentiality protection by the court.

I am involved in a Dallas case where a man burned to death in a post-collision fire in an NS-Body minivan. Despite plaintiff's discovery requests for 'other similar incidents' (ODI), Chrysler never informed the plaintiff in Hendrix vs. Chrysler of the earlier Davis case. I had to do it. As a result of their inaccuracy, a motion was filed for sanctions against Chrysler.

Every Chrysler minivan on the highway today, both in North America and overseas, is defective because it does not adequately protect passengers from post-collision fires. The NHTSA FMVSS-301 regulation regarding fuel system integrity is also inadequate because it was never updated with the failure modes of the typical fuel injection system in-mind. (Similar arguments can be made for FMVSS-208 and FMVSS-214.)

My NHTSA interview words and documents of 11 April 1995 presented this issue, but these discussions remained hidden from the public due to NHTSA's granting of unilateral rights and protection to Chrysler.

E : NHTSA REFUSES TO ENFORCE ITS OWN SAFETY STANDARDS : FMVSS-214 FAILURES

Given what was just discussed regarding the inadequacy of post-collision fire protection in Chrysler minivans, the following will be judged as a complete outrage.

In late 1993 and early 1994, a Chrysler development engineer informed me of her concerns regarding the lack of adequate and proper crash testing on the 1996 NS-Body minivan. I was later informed that the crash test used to report compliance status, under FMVSS-214, was conducted with a non-representative

prototype, and further, that the test was conducted without fuel (stoddard) in the fuel tank. My information is that the practice, of not completing the entire FMVSS-214 protocol (e.g. static roll-over testing for fuel system integrity) continued into the production phase. As a result, the compliance paperwork submitted to NHTSA is probably not competent.

In December 1998 NHTSA finally tested the Chrysler NS-Body minivan under FMVSS-214, but it failed due to massive leakage of fuel. In January 1999 NHTSA re-tested, but again the Chrysler minivan failed due to an even worse fuel leakage. This second failure caused NHTSA to open an investigation.

I contacted the NHTSA investigator and informed him of the information discussed above. He said that my input was consistent with NHTSA test data. I offered my assistance with the investigation. However, in a subsequent telephone conversation he begrudgingly announced that my inputs were "not needed", as characterized by his superior, Kathleen DeMeter. (Please see Section A discussion above.)

In March 2000, NHTSA again tested the Chrysler NS-Body minivan. *It failed for the third time.*

Given that Chrysler minivans do not offer adequate post-collision fire protection due to lack of a fuel system shut-off switch, and given that NHTSA has confirmed three times that my/our concerns of 1993 regarding fuel system integrity are vindicated; **Mr. Secretary, why has NHTSA refused to enforce its own regulations, and recall the 1996, 1997, 1998, 1999, and 2000 Chrysler NS-Body minivans ?** If one person burns to death in a post-collision fire, due to an FMVSS-214 failure, who do you suggest be held civilly, professionally and/or criminally responsible? Chrysler? NHTSA? Both?

My NHTSA interview words and documents of 11 April 1995 presented this issue, but these discussions remained hidden from the public due to NHTSA's granting of unilateral rights and protection to Chrysler.

F : DEPARTMENT OF JUSTICE ASSISTANCE TO SPECIAL INTERESTS - CHRYSLER CORPORATION :
FOIA LAWSUITS AND NHTSA DEFECT INVESTIGATION CONSPIRACY

Attached for your information are two letters that I sent to, and have been received by the United States Attorney General Janet Reno:

- ▶ My letter of 25 August 2000 to Attorney General Janet Reno (*section one*).
- ▶ My original letter of 27 October 1999 to Attorney General Janet Reno (*section two*).

I am also attaching the recent letters from Congressman James Traficant (D-OH) and Congressman Bob Barr (R-GA). (Attachment 5 and Attachment 6)

The Attorney General has refused to respond, which, as you will see, is deeply ironic given her recent proclamations that she is considering a criminal investigation of the Ford/Firestone issue(s). To the best of my knowledge the Attorney General has also not responded to the congressmen.

The key evidence which documents that a Chrysler/NHTSA/DOJ conspiracy *was* executed against the consumer, during the NHTSA investigation of the Chrysler minivan liftgate latch, is attached as Tab 7 to the 25 August 2000 letter, the Colored Tab of the 27 October 1999 letter, and Attachment 7 to this letter. This internal Chrysler document has been affirmed as authentic in the sworn deposition testimonies of ex-Chrysler Chairman Robert Eaton and ex-Vice Chairman Robert Lutz. The first paragraph proclaims :

“NHTSA has agreed that they will deny all FOIA requests to place their investigative files, including the crash test videos, on the public record and that the Department of Justice will defend any lawsuits seeking to compel production under FOIA.”

In my two letters to the Attorney General I pose the following, as yet unanswered crucial question :

“ Do you believe that it is a responsibility of the Department of Justice to provide legal assistance in civil lawsuits in behalf of special interests such as Chrysler Corporation, whether directly or indirectly . . . for the explicit purpose of obscuring vital safety information from the taxpayer; information that is explicitly available under the Freedom of Information Act; during a period of time that injury and death were known to be continually and predictably inflicted on innocent children ? Do you believe that legal assistance of this type is consistent with the call to “use government to further the common good ” ?

Mr. Secretary, please answer at least the following preliminary questions :

- i. Can you tell us why NHTSA and the Department of Justice conspired against the American taxpayer in the manner documented above?
- ii. What mandated public service was rendered to the taxpayer by NHTSA when the latter capitulated to the special interests of Chrysler Corporation?
- iii. Are you aware that children were maimed and killed, as a direct result of the Chrysler minivan latch defect, during the time that Chrysler, NHTSA and DOJ were denying the public's right to know, under the Freedom of Information Act? Why did NHTSA agree with Chrysler's request to deny taxpayer access to the NHTSA minivan liftgate latch defect investigation materials, given the fact that those materials stated in the 'Conclusion' section :

“The latch failure is a safety defect that involves children.”?

- iv. Why are we in possession of a document that confirms that DOJ was ostensibly assisting the special interest Chrysler, as opposed to a document that reprimands both NHTSA and especially Chrysler for insinuating (by their actions) that DOJ would be even remotely associated with, never mind assisting with, such criminal activity?
- v. If Attorney General Janet Reno lost a loved one to a Chrysler minivan liftgate latch failure/ejection, how quickly do you suppose she would answer my question(s) ?

- vi. If Congressman John Dingell (D-MI) or Michael Oxley (R-OH) had lost a loved one to a Chrysler minivan liftgate latch failure/ejection, what is the likelihood of their letter of 17 January 1995 to NHTSA (see Tab 14 of my 27 October 1999 letter to Attorney General Janet Reno)?
- vii. If ex-Chrysler Chairman Robert Eaton had lost a loved one to a Chrysler minivan roll-away accident because none of these vehicles offer Park-Shift Interlock, such as all competitive models, how fast do you suppose Mr. Eaton would have ordered a safety defect recall?
- viii. If ex-Chrysler Vice Chairman Robert Lutz had lost a loved one to a post-collision fire in a Chrysler minivan because none of these vehicles offer a fuel system shut-off switch, such as the Ford Windstar, how fast do you suppose Mr. Lutz would have ordered a safety defect recall?
- ix. If Kathleen DeMeter of NHTSA's Office of Defects Investigation loses a loved one in a post-collision fire in an NS-Body Chrysler minivan because this vehicle is out of compliance with FMVSS-214, how fast do you suppose Ms. DeMeter will announce a safety defect/safety recall?
- x. If you, Mr. Secretary, lose a loved one in a Chrysler minivan because it only has a C-Pillar mounted single latch side sliding door system, unlike competitive models which offers a dual latch system; how fast will you order an FMVSS-206 revision addressing the real world of side-swipe accidents?

Again, I emphasize that my *fundamental* concern is not in the context of the safety defects described, but in the lack of private/public leadership and dedication to automotive safety, and how that historical lack of leadership characterizes the "root cause" of the Ford/Firestone situation. On Page 3 of my 25 August 2000 letter to the Attorney General I have already named individuals that I believe should be investigated for criminal charges. I have been asking related criminality questions since as early as 1995, and therefore have anticipated recent Congressional and Attorney General rhetoric by over five years.

Alternatively, **S-3070, the Defective Products Penalty Act**, is anything but rhetorical, and I intend to assist Senator Herbert Kohl and Senator Diane Feinstein in any way I can. I also intend to continue assisting the plaintiff's defects barr, since it seems this is the only existing viable recourse for the American taxpayer. In the meantime, please feel free to contact me at any time.

Sincerely and respectfully,



Paul V. Sheridan
Former Chairman,
Chrysler minivan Safety Leadership Team

P.S. If Firestone President John Lampe had lost a loved one in an accident involving a tire tread separation, how fast do you suppose he would have ordered a safety defect recall? Envisioning for the moment that when he lost the loved one, Mr. Lampe was not affiliated with Firestone, how much support would he have for the standard practice of sealing court documents under the ruse of "trade secrets" ?

Attachments/enclosures



U.S. Department
of Transportation
**National Highway
Traffic Safety
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

DEC 10 1996

Mr. Paul V. Sheridan
22357 Columbia
Dearborn, MI 48124-3431

Dear Mr. Sheridan:

In response to your letter of December 9, 1996, I have enclosed a copy of the trip report that NHTSA investigator Julie Abraham and I prepared after we interviewed you on April 11, 1995 in Detroit. We prepared no other documents reflecting the contents of that interview.

Please note that the enclosed copy is taken from the public file that NHTSA maintains on the Chrysler Minivan Liftgate Investigation, EA94-005. Some information has been deleted from this version of the report pursuant to a request for confidentiality that Chrysler Corporation filed under NHTSA's regulations at 49 CFR Part 512 governing the protection of confidential business information obtained by the agency. The deleted portions appear as blank spaces in the copy being furnishing.

If you have any questions concerning this matter, feel free to contact me at 202-366-5238.

Sincerely,

Coleman R. Sachs
Staff Attorney

Enclosure

ATTACHMENT 1



AUTO SAFETY HOTLINE
(800) 424-9393
Wash. D.C. Area (202) 366-0123

Chrysler Minivan Liftgate Latch
Press Conference
Monday, March 27, 1995

Chris Theodore Q & A Responses

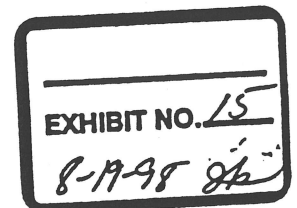
ATTACHMENT 2
PAGE 1 OF 4

Question :

“What are you replacing them with, and how are you fixing them?”

Answer :

“Excuse me. The latches we’ll be replacing them with are the 1995 model year latches, as part of our continuous improvement program on the whole product; we’re continuously trying to improve the vehicle. So we’ve been strengthening our latches over the years, just as we improve our air bag systems and everything else. So the 95 latch we will be putting on are 1991, excuse me, 1990 through 1994 model minivans, and something similar to it on prior model years.”



Chrysler Minivan Liftgate Latch
Press Conference
Monday, March 27, 1995

Chris Theodore Q & A Responses

Question :

"Could you tell me if the new latch is going to be a double stage latch, or simply a stronger latch?"

Answer :

"It's a single latch; it does not have a secondary. Nor is there a need for a secondary in our mind because a secondary is replicated in our minivan by having a liftgate ajar light and a warning chime."

Chrysler Minivan Liftgate Latch
Press Conference
Monday, March 27, 1995

Chris Theodore Q & A Responses

ATTACHMENT 2
PAGE 3 OF 4

Question :

“What are the mechanical changes in this latch that make it better; qualitatively better than the old one?”

Answer :

“Well, maybe I should show them to you later. It’s just under extreme deformation, we limit the amount of deformation that can go on in the latch, and it does make it a little stronger. I can show you the details afterwards.”

Chrysler Minivan Liftgate Latch
Press Conference
Monday, March 27, 1995

Chris Theodore Q & A Responses

Question :

"Can you talk about much greater crash force this new latch can withstand compared to the previous latches? I mean, is it 50% greater or something like that?"

Answer :

"No. You're really into an esoteric issue. I think Dale (Dawkins) and I would love to regale you all with all the intricacies of latch. First of all, everyone ties into latch, but it's the entire hatch and the body structure and everything else. We can spend a couple of hours going through it. The strength of the latch is increased but you have to consider the entire system and that becomes a very, very complicated discussion."

"Let me continue . . . Again, if you look at the data that Bud (Liebler) presented, clearly it's not happening there in the real world. So the amount of incremental improvement that you get as far as hatch openings is concerned; it's probably unmeasurable, but it's directionally correct and that's why we're taking that action."

HARRIS & WATTS P C

Attorneys at Law

Mikal C. Watts
Attorney at Law

Telephone: (361) 887-0500
Facsimile: (361) 887-0055

March 24, 2000

Mr. Thomas Kienbaum
KIENBAUM, OPPERWALL, HARDY & PELTON, P.L.C.
325 South Old Woodward Avenue
Birmingham, Michigan 48009
Phone: (248) 645-0000

Via Fax: (248) 645-1385

Re: *LeCompte v. DCC*

Dear Mr. Kienbaum:

I am in receipt of your letter of yesterday¹ wherein you seek to "confirm" my conversation with Florida counsel. First, judging by your recitation of the same, you confirm incorrectly. Second, the fact is that the David Tyrell E-mail² has already been widely disseminated by me and others to other persons in the plaintiffs' automotive defect bar. Discovery efforts already are specifically being planned and coordinated among the several hundred truth-seeking members of AIEG to depose each of the members of the Door Hardware Workteam and the NS Safety Leadership Team in order to document DCC's concerted and now-documented efforts to cause its employees "to become incensed or outraged" at Paul Sheridan's willingness to tell the truth. Third, I can assure you that an E-mail planning a concerted smear campaign at a material witness in Texas litigation is not protected by the attorney-client privilege under either Texas or Florida law. If you disagree, I encourage your client to seek the opinion of a Nueces County, Texas judge with jurisdiction over my mouth and my mailbox, or one with jurisdiction over the Attorneys' Information Exchange Group in Birmingham, Alabama. Finally, I am shocked at the temerity of your firm and your client to once again seek a court-imposed "muzzle" on one of the truly honorable whistleblowers this country has ever seen, who according to your client's own national counsel, Mr. Tyrrell, "was at Chrysler for an extended period of time, had a good work history according to his late reviews and awards," and who is "organized, obsessive, detailed," and who "will present a ... superior appearance as a witness."

Imagine the safety that could have been incorporated into Chrysler vehicles over the past five years had your firm not been successful in keeping Chrysler's conduct completely sealed from public view through a now-lapsed "gag order." The Honorable court handling your case against Sheridan, who no doubt initially decided the issue

¹ Attached hereto as Exhibit "A" for your reference.

² Attached hereto as Exhibit "B" for your reference.

Corpus Christi • Brownsville

Mr. Thomas Kienbaum
March 24, 2000
Page Two

based upon your firm's and your client's representations, was entirely correct in his recent decision to let the injunction lapse.

Although I am not certain whether Damler's Germany recognizes a first amendment right to free speech,³ I am certain your client's American subsidiary, Chrysler, is well aware of the fact that this country does recognize free speech rights.

Certainly providing truthful testimony in a brain-damaged baby case involving a vehicle defectively designed between seven and ten years ago should be applauded, instead of responded to by your former employer seeking to extend a five-year muzzle on entirely specious grounds.

I trust you advised the Honorable court that Sheridan was designated as a material fact witness early-on in that litigation by the Plaintiffs.⁴ I trust that in your "motion to re-muzzle", you advised the Honorable court that Sheridan's affidavit references only documents produced to me in litigation, which according to the terms

³ Attached hereto as Exhibit "C" for your reference.

⁴ As Justice Ginsberg recently noted in *Baker v. General Motors*: "Most essentially, Michigan lacks authority to control courts elsewhere by precluding them, in actions brought by strangers to the Michigan litigation, from determining for themselves what witnesses are competent to testify and what evidence is relevant and admissible in their search for the truth. See Restatement (Second) of Conflict of Laws, 137-139 (1969 and rev.1988) (forum's own law governs witness competence and grounds for excluding evidence); cf. *Societe Nationale Industrielle Aerospatiale v. United States Dist. Court for Southern Dist. of Iowa*, 482 U.S. 522, 544, n. 29, 107 S.Ct. 2542, 2556, n. 29, 96 L.Ed.2d 461 (1987), (foreign "blocking statute" barring disclosure of certain information "do[es] not deprive an American court of the power to order a party subject to its jurisdiction to produce [the information]"); *United States v. First Nat'l City Bank*, 396 F.2d 897 (C.A.2 1968) (New York bank may not refuse to produce records of its German branch, even though doing so might subject the bank to civil liability under German law).... In sum, Michigan has no authority to shield a witness from another jurisdiction's subpoena power in a case involving persons and causes outside Michigan's governance. Recognition, under full faith and credit, is owed to dispositions Michigan has authority to order. But a Michigan decree cannot command obedience elsewhere on a matter the Michigan court lacks authority to resolve. See *Thomas v. Washington Gas Light Co.*, 448 U.S. 261, 282-283, 100 S.Ct. 2647, 2661, 65 L.Ed.2d 757 (1980) (plurality opinion) ("Full faith and credit must be given to [a] determination that [a State's tribunal] had the authority to make; but by a parity of reasoning, full faith and credit need not be given to determinations that it had no power to make.").

In *LeCompte*, Judge J. Ray Gayle accepted Mr. Sheridan's affidavit as evidence, and made no pronouncement from the bench that Mr. Sheridan was not welcome to testify in his courtroom.

of those cases' protective orders, are no longer confidential.⁵ I trust that in your motion to re-muzzle, you have advised the Honorable court that Sheridan's testimony involves a vehicle line which has been on the road for years, subject to vehicle tear-downs and competitive engineering, and a vehicle line which already is entirely being replaced by Chrysler with its "RS" line of minivans whose designs have been completed by the date of this writing.⁶ I trust you advised the Court that of the previously-produced documents referenced in Sheridan's affidavit, the vast majority of them were produced in a deposition that Chrysler's employment law firm, Dickinson, Wright, defended⁷, and that therefore, any attempt by Chrysler to insinuate that Sheridan disclosed "new" information would be a gross fraud on the Court. I trust that in your motion to re-muzzle, you advised the Honorable court that Sheridan's affidavit testimony was confirmed in almost every respect by the deposition testimony of Chrysler's own corporate representative in *LeCompte*.⁸

In Texas, one of our great Supreme Court justices, Hon. Franklin Spears, wrote that "the ultimate purpose of discovery is to seek the truth, so that disputes may be decided by what the facts reveal, not by what facts are concealed."⁹ In an effort to have disputes decided across the nation by "what facts are concealed," your client has, in my humble opinion wrongfully terminated an honorable man, disgracefully trumped-up charges against him that subsequently have been proven meritless, and shamefully shackled him with a gag order lasting five years, even though your own client's fellow employees showered him with glowing praise in performance reviews just weeks before Chrysler wrongfully terminated him. I would suggest that if Chrysler believes Paul Sheridan is such a threat, it immediately should permit me to depose all persons whom it believes will prove him a liar. We can then compare their sworn testimony with the representations made by your firm in Court in the *Chrysler v. Sheridan* litigation, and see whether it is Paul Sheridan or his former employer that is spreading falsehoods.

⁵ See Rule 76a Order of 1996 of Anderson County, Texas District Court Judge Calhoun in *Matthews v. Chrysler*.

⁶ See testimony of Dennis Malecki in *LeCompte v. Chrysler*.

⁷ See Deposition of Paul Sheridan, in *Gonzalez/Matthews v. Chrysler*, dated May 2, 1996.

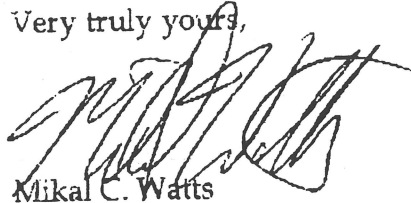
⁸ See Deposition of David Monette in *LeCompte v. Chrysler*, dated February 29, 2000.

⁹ *Jampole v. Touchy*, 673 S.W.2d 569 Tex. 1984).

Mr. Thomas Kienbaum
March 24, 2000
Page Four

I hope this letter will assist you in clarifying our respective positions on this matter.

Very truly yours,



Mikal C. Watts

P.S.:

I have just received a copy of your Brief in support of Chrysler's Motion to re-Muzzle. Among the myriad misrepresentations made therein, the one containing particularly-strong stench to me is your blatant lie to the Court with respect to how the *Matthews* documents became public. To insinuate that those documents were made public by me filing them behind Chrysler's back is shameful; in fact, Judge Calhoun conducted a five-hour hearing before ruling that the documents should be released according to Rule 76a. You may want to pull up the *Dallas Morning News* coverage of the hearing to refresh your recollection, so that you can file a retraction of this falsehood with the Court immediately.

cc:

Richard Greenberg - *60 Minutes*
Bill Vlassic - *Detroit News*
Milo Geyelin - *Wall Street Journal*
Jeffrey Ball - *Wall Street Journal* - Detroit Bureau
AIEG Executive Committee

Via Fax: (212) 975-0322
Via Fax: (313) 222-1461
Via Fax: (212) 416-2653
Via Fax: (313) 963-6527

Attachment 3
Page 4 of 6



David Tyrrell <dtyrrell@hwhlaw.com> on 02/29/2000 11:16:37 AM

To: "Burns Rita - Chrysler (E-mail)" <rab26@daimlerchrysler.com>
cc: "Gluckman Ken - Chrysler (E-mail)" <kig@daimlerchrysler.com>, "Louann Van Der Wiele (E-mail)" <lv14@daimlerchrysler.com>, "Kidney Michael - Hogan & Hartson (E-mail)" <mikidney@hhlaw.com>, "Micki S. Singer (E-mail)" <mss1@sdma.com>, "Ridella Gregory (E-mail)" <gjr10@daimlerchrysler.com>, Bob Fulton <bfulton@hwhlaw.com>
Subject: Sheridan's Affidavit - LeCompte v. DCC

Re: Sheridan's Affidavit - LeCompte v. DCC - CASE ID: 1030000

Rita,

I reviewed Watts' response to the Motion for Summary Judgment in LeCompte which includes a detailed affidavit from Paul Sheridan. Interestingly, the affidavit is executed in Texas and, therefore, apparently Sheridan has been spending time with Watts.

Sheridan's affidavit goes far beyond any subject matter we have seen in the past. I predict you are going to see a lot more of this guy in many different types of cases. He is going to become the new, improved, Tom Flanagan. He was at Chrysler for an extended period of time, had a good work history according to his late reviews and awards, and is willing to testify about Chrysler's "knowledge" on any number of different issues. I also expect he will be a librarian of information and documents. This is the role Tom Flanagan has filled in the past - Sheridan will be much better organized, obsessive, detailed, and will present a far superior appearance as a witness.

From John Stilson's report in LeCompte I anticipated that Sheridan would be used to describe Chrysler's knowledge of ejection-related issues from his NS SLT work period. I anticipated Watts would use Sheridan with Flanagan and the documents and past testimonies he developed during the liftgate latch litigation to enhance his allegation that "[Chrysler] was aware of the relationship between occupant ejection from the vehicle and the increased likelihood of death and serious bodily injury. The evidence was also clear that effective door latches were critical to prevent this, since the seat belt usage rate was very low." He wants to make latches generic and dovetail all the liftgate latch and side door latch failure issues with the side sliding door latch. Watts certainly uses Sheridan for this purpose. However, Sheridan is also used to go far beyond the "generic" latch and ejection risk issues.

Sheridan's affidavit makes extensive reference to the Door Hardware Work Team and meeting minutes from that team. The minutes were taken from Bob Vend's deposition who, of course, testified that Sheridan never attended any of those meetings and whose name does not appear as an attendee at these meetings. Therefore, Sheridan will apparently base a significant amount of his more specific testimony on meeting minutes from meetings he did not attend.

Sheridan also spends considerable time talking about the reduction of the NS budget; the "major upper management concern was product cost versus approved program target levels." He makes frequent references to cost reductions

EVU1017 "R"

Attachment 3
Page 5 of 6

necessitated by budget decreases. Indeed, he makes references to "upper management" decisions by Messrs. Eaton, Lutz, Gale and Castang. For example, Sheridan states "upper management at Chrysler was already aware that its new NS body minivan would not have a latch in the front of the sliding door, while most other offerings did have such a second latch. However, cost and pricing pressures were stated as the reason that the body hardware budget must be reduced, as opposed to allowing it to increase to accommodate 'real world' safety requirements." Thus, Sheridan expands his area of involvement and expertise to include budgeting and cost considerations.

Next, he makes specific references to the side sliding door latch and Chrysler's alleged knowledge that this latch was inadequate; "the safety importance of multiple latching mechanisms on doors such as the sliding door and the rear liftgate was discussed and communicated to upper management. However, because of the pricing and cost pressures already on the minivan, upper management insisted that no other latching features be added; rather, management insisted that the body hardware investment and piece costs be lowered still further."

His expanded knowledge also goes to testing. He is apparently ready to testify that the NS SLT "strongly recommended" that the NS be testing with offset impacts to evaluate structure. These recommendations were, according to Sheridan, rejected by the Production Direction Team.

Finally, Sheridan is now a statistician, apparently from his survey work, and a glass expert. He notes that he and other members of the door hardware work team "extensively" discussed the type of glass to be used in the side sliding door. The NS SLT believed the use of "shatter proof" glass should be further discussed and this recommendation was rejected by the Product Direction Team due to "cost." He also noted that Mr. Lutz made the decision that the glass would be fixed rather than a window that could be opened.

Sheridan further places knowledge within Chrysler in stating that he recalls "specific conversations and discussions with management at Chrysler during meetings when the fact was discussed that ejected occupants are statistically more likely to be killed or seriously injured in a collision if they were ejected from a vehicle, than if they remained in the vehicle."

I intend to spend considerable time with Sheridan going through his 20-page affidavit and its 58 exhibits to pin him down precisely to documents, persons, etc. This affidavit should be shown to other members of the Door Hardware Work Team and the NS SLT. In the past those employees never seemed to become incensed or outraged by Sheridan's statements. Perhaps this affidavit will help them in that regard.

This guy is not going away any time soon.

David

cc: Kenneth Gluckman
Louann Van Der Wiele
Michael Kidney
Micki Singer
Greg Ridella
Bob Fulton

ATTORNEYS AT LAW

ONE CITY CENTER, P.O. BOX 9546, PORTLAND, MAINE 04112-9546
TELEPHONE: (207) 791-3000 -- TELEFAX (207) 791-3111
INTERNET: WWW.PRETI.COM -- E-MAIL: ADMIN@PRETI.COM

ATTACHMENT 4

July 26, 2000

Paul Sheridan
22357 Columbia Street
Dearborn, MI 48124-3431

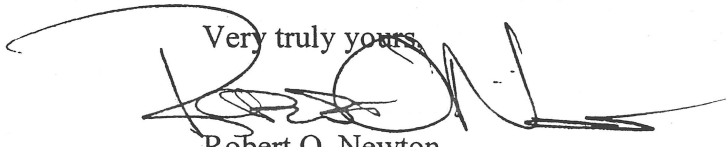
RE: Mark Hoglund, Jr. v. DaimlerChrysler Corporation

Dear Paul:

I am writing to inform you that the above captioned case has been settled. By the terms of the settlement agreement with DaimlerChrysler Corporation we are not permitted to disclose the terms or amounts of settlement. We can only state that the settlement was very satisfactory for Mark Hoglund, Jr.

Thank you very much for your assistance throughout this process.

Very truly yours,



Robert O. Newton

RON:gnt

GNT\H\HOGLUND\LETTERS\LTR-07-26-00SHERIDAN.DOC

- MEMBERS:**
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MICHAEL K. MAHONEY

*Temporary leave of absence.
** Admitted to practice law only in the District of Columbia.

JOHN J. FLAHERTY
(1929 - 1995)



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BATH, MAINE 04530-0665
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EAST LIVERPOOL, OH 43920
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August 28, 2000

The Honorable Janet Reno
Attorney General
United States Department of Justice
Main Justice Building
Pennsylvania and Constitution Avenues, N.W.
Washington, D.C. 20530-0001

RE: Request for Response to Letter Sent to Department of Justice by Mr. Paul Sheridan regarding the Chrysler Minivan Defective Locks Cases.

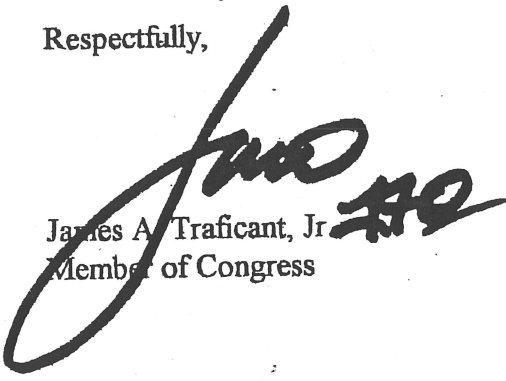
Dear Attorney General Janet Reno:

As Congressman of the 17th district of Ohio, I am requesting that you respond to the letter sent to your office from Mr. Paul Sheridan dated October 27, 1999.

Congressman Bob Barr has also sent a letter dated August 17, 2000 on Mr. Sheridan's behalf. As did Congressman Barr, I am also requesting that you respond to Mr. Sheridan's letter as soon as possible answering his specific questions.

Please see attached copy of letter sent by Congressman Bob Barr on Mr. Sheridan's behalf.

Respectfully,



James A. Traficant, Jr.
Member of Congress

ATTACHMENT 5

JATJ/hv



BOB BARR

7TH DISTRICT
GEORGIA
ASSISTANT MAJORITY WHIP

PHONE: (202) 225-2931
FAX: (202) 225-2944

Internet: <http://www.house.gov/barr/>

CONGRESS OF THE UNITED STATES

1207 LONGWORTH HOUSE BUILDING
WASHINGTON, D.C. 20515-1007

COMMITTEES:
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BANKING AND FINANCIAL SERVICES
GOVERNMENT REFORM

Subcommittee on Criminal Justice,
Drug Policy, and Human Resources
VICE CHAIRMAN

August 17, 2000

The Honorable Janet Reno
Attorney General
United States Department of Justice
Main Justice Building
Pennsylvania and Constitution Avenues, N.W.
Washington, D.C. 20530-0001

IN RE: Request for Response to Letter Sent to the Department of Justice by Mr. Paul Sheridan Regarding the Chrysler Minivan Defective Locks Cases

Dear Attorney General Reno:

On October 27, 1999, Mr. Paul Sheridan, formally of the Chrysler Corporation, sent a letter to you requesting responses to several questions regarding the Department of Justice's role and actions in the controversy. At this time he has not yet received a response to his correspondence.

In addition, I request a response to the questions Mr. Sheridan has posed to the Department of Justice. I have enclosed a copy of the information Mr. Sheridan has provided my congressional office regarding this issue along with another copy of the questions (located in front of the red tab).

Please respond to these questions and forward a copy of the responses to me. I look forward to hearing from you in the near future. If you have any questions, please contact my Legislative Counsel, Keri Allin, at 202/225-2931.

With kind regards, I remain,

very truly yours,


BOB BARR
Member of Congress

BB:ka
Enclosure

cc: Mr. Paul Sheridan

ATTACHMENT 6

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ROME, GA 30161
(706) 290-1776
FAX: (706) 232-7864

DEPOSITION
EXHIBIT
(R.A. LOTZ)
3
RAZ 6/14/99
PENGAD-Bayonne, N. J.

ATTACHMENT 7
PAGE 1 OF 2

MINIVAN LATCH ISSUE

Proposed Agreement with NHTSA

1. Crash Test Video and the Public Record:

- NHTSA has agreed that they will deny all FOIA requests to place their investigative files, including the crash test video, on the public record and that the Department of Justice will defend any lawsuits seeking to compel production under FOIA.
- We would agree with NHTSA that their engineering analysis will remain open while we conduct the service campaign to provide them additional bases to argue that release of the materials would interfere with their investigation.
- The Department of Justice says there is less than a 50/50 chance of keeping the video off the record for the full duration of the investigation, i.e. the campaign, if there is a court ruling. Given the possibility that a lawsuit could be filed at any time, they anticipate that the legal process would take at least four months, regardless of the outcome.

2. Service Action Only - No Recall: NHTSA has agreed that a Chrysler service campaign would fully satisfy all of their concerns and they would give full public support to such an effort. The critical elements that differentiate the service campaign from a recall (mostly reflected in the two attached letters) are as follows:

- no admission of defect or safety problem;
- stated purpose of the campaign - to ensure peace of mind in light of media coverage;
- campaign does not count as a NHTSA action - not included in NHTSA recall numbers, no Part 573 or Part 577 letters;
- statements to owners, the public and NHTSA assert that no defect has been found; and
- NHTSA acknowledges that replacement latch is not a 100% solution.

Eaton
EXHIBIT NO. 21
8-28-97
M. MOORE

3. Chrysler Announcement: Chrysler controls publication of its action with the following provisions:

- Chrysler goes first with its own statement and reads approved NHTSA statement supporting Chrysler's action;
- Chrysler characterizes campaign as done solely to ensure the peace of mind of its owners, i.e. "your concern is our concern";
- Letter from Martinez to Chrysler and NHTSA press statement praise Chrysler action as fully satisfying all of NHTSA's concerns and state that Chrysler is a safety leader;
- NHTSA officials acknowledge publicly that there has been no finding of defect and that there will be none; and
- NHTSA officials acknowledge that owners should not be concerned over the delayed implementation of the action and that they can best protect themselves by keeping seat belts buckled at all times.

4. Additional Provisions: The following points have been requested by NHTSA and appear to be reasonable:

- The letter to owners makes reference to the NHTSA hot line phone number;
- Latch replacement will be offered as part of any routine minivan servicing (once replacement latches are available);
- Chrysler will submit six quarterly reports on the progress of the campaign (helps to support defense of FOIA requests); and
- NHTSA can make reference to the service campaign in response to owner inquiries.