NHTSA Announces Consent Order with Daimler Trucks North America

Includes a total civil penalty of \$30 million

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The National Highway Traffic Safety Administration today announced <u>a consent order</u> with Daimler Trucks North America following an investigation that found the company failed to recall vehicles in a timely fashion and to comply with other reporting requirements. The consent order includes a total civil penalty of \$30 million.

The consent order includes both monetary and non-monetary provisions designed to improve Daimler Trucks North America's compliance with the law and to improve the company's safety practices. The company will develop and implement an advanced data analytics program to enhance its ability to detect and to investigate potential safety defects. The company will also improve its IT systems to collect potential safety information from its business units more effectively, and to report that information accurately to NHTSA.

The company will also develop written procedures and conduct training for its employees on the recall and reporting requirements of the Vehicle Safety Act, take actions to ensure that its reporting to NHTSA is complete, and meet regularly with NHTSA to discuss potential safety issues.

"Safety is NHTSA's top priority," said NHTSA Deputy Administrator James Owens. "It's critical that manufacturers appropriately recognize the urgency of their safety recall responsibilities and provide timely and candid information to the agency about all safety issues."

Daimler Trucks North America's consent order with NHTSA is for two years, which NHTSA may extend for an additional year if warranted. The consent order requires the company to make an upfront payment of \$10 million, to spend an additional \$5 million on specific projects to enhance safety, and includes an additional \$15 million deferred penalty that may become payable under specified circumstances.