

# BMW to pay \$3-million penalty

Federal regulators alleged its reports on safety defects were late and incomplete.

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BMW has agreed to pay \$3 million in civil penalties to settle a claim that the automaker failed to report safety defects in a timely and complete manner.

In a statement released Friday, the National Highway Traffic Safety Administration alleged that BMW had mishandled the majority of its recalls in 2010. Federal law requires all auto manufacturers to notify NHTSA within five business days of discovering a safety defect, and the agency said many re-

ports filed by BMW were incomplete and late.

The agency examined 16 recalls, and, among other claims, asserted that only six of BMW's filings contained the exact number of affected vehicles, and that it took BMW an average of 30 days to provide updated information with all the necessary facts and figures.

"It's critical to the safety of the driving public that defects and recalls are reported in short order," NHTSA Administrator David Strickland said in the statement.

"NHTSA expects all manufacturers to address automotive safety issues quickly and in a forthright manner."

The agency opened its investigation in December 2010 and examined recalls that had taken place throughout

the calendar year. The recalls involved more than 100,000 cars and motorcycles of various makes and models.

BMW spokesman Thomas J. Plucinsky issued a statement in which the company said that all but one of the questionable recall filings were related to BMW motorcycles.

"However, despite the late filing, in every case where a defect was identified by the company, a voluntary recall had been conducted," the company said.

As part of the settlement, BMW agreed to make internal changes to its recall decision-making process. The settlement does not constitute an admission of guilt by BMW.

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