



May 7, 2003

J. Carlos Fox
Cline & Fox
5151 Murphy Canyon Rd., Suite 200
San Diego, CA 92123

Re: Pixel displays

Dear Mr. Fox:

I am writing to provide an update with respect to the list of customers you identified as having a problem with information displays in their BMW vehicles. As you are probably aware, many of the customers listed in your letter have come forward independently requesting assistance. BMW has been working with these customers on a one-on-one basis to address their concerns.

We researched your complaint of a defect involving recurring failure of the electronic pixel displays in various driver information displays. Research revealed in isolated cases, based on age and mileage, that the instrument cluster display lights in certain BMW models are subject to fail. However, the concern of mileage accuracy is not an issue since the subject vehicles are equipped with redundant data storage. The feature stores the mileage of the car in the computer memory regardless of the display operation. In many cases, it was noted that despite the display lights missing some pixels, the text or numbers are still legible. Your claim that the lost pixel displays are a problem with various driver information displays is unfounded. While a certain number of failures is inherent to any component; our research revealed that the number of pixel display failures in the components named, such as air conditioning controls and radio displays, is not inordinate.

Based on our investigation and analysis, BMW of North America, LLC (BMW NA) respectfully declines your proposal of a 15-year warranty for the claimed defective components. BMW NA does not believe the complaint warrants this action. However, BMW NA remains committed to customer satisfaction and will continue to work with our customers on an individual basis in an effort to resolve any issues to our customer's satisfaction. Regardless of the issue, BMW NA is always here to help our customers.

We thank you for bringing this matter to our attention and assisting in uniting us with customers in need of assistance.

Sincerely,

Chuck Winik
National Customer Relations
Representative

Company
BMW of North America, LLC

BMW Group Company

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