

Standard No. 214 *Side Impact Protection*: Installation of reinforcing door beams.

Standard No. 301 *Fuel System Integrity*: Installation of a rollover valve in the fuel tank vent line between the fuel tank and the evaporative canister.

Additionally, the petitioner states that all vehicles will be inspected prior to importation to assure compliance with the Theft Prevention Standard found in 49 CFR part 541.

The petitioner also states that a vehicle identification plate must be affixed to the vehicle to meet the requirements of 49 CFR part 565.

Interested persons are invited to submit comments on the petition described above. Comments should refer to the docket number and be submitted to: Docket Management, Room PL-401, 400 Seventh St., SW, Washington, DC 20590. (Docket hours are from 9 am to 5 pm.) It is requested but not required that 10 copies be submitted.

All comments received before the close of business on the closing date indicated above will be considered, and will be available for examination in the docket at the above address both before and after that date. To the extent possible, comments filed after the closing date will also be considered. Notice of final action on the petition will be published in the **Federal Register** pursuant to the authority indicated below.

Authority: 49 U.S.C. 30141(a)(1)(A) and (b)(1); 49 CFR 593.8; delegations of authority at 49 CFR 1.50 and 501.8.

Issued on: July 1, 1999.

Marilynne Jacobs,

Director, Office of Vehicle Safety Compliance.

[FR Doc. 99-17165 Filed 7-6-99; 8:45 am]

BILLING CODE 4910-59-P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA-99-5912]

Receipt of Petition for Decision That Nonconforming 1991-1997 Honda VFR 750 and 1998-1999 Honda VFR 800 Motorcycles are Eligible for Importation

AGENCY: National Highway Traffic Safety Administration, DOT.

ACTION: Notice of receipt of petition for decision that nonconforming 1991-1997 Honda VFR 750 and 1998-1999 Honda VFR 800 motorcycles are eligible for importation.

SUMMARY: This document announces receipt by the National Highway Traffic

Safety Administration (NHTSA) of a petition for a decision that 1991-1997 Honda VFR 750 and 1998-1999 Honda VFR 800 motorcycles that were not originally manufactured to comply with all applicable Federal motor vehicle safety standards are eligible for importation into the United States because: (1) They are substantially similar to vehicles that were originally manufactured for importation into and sale in the United States and that were certified by their manufacturer as complying with the safety standards, and (2) they are capable of being readily altered to conform to the standards.

DATES: The closing date for comments on the petition is August 6, 1999.

ADDRESSES: Comments should refer to the docket number and notice number, and be submitted to: Docket Management, Room PL-401, 400 Seventh St., SW, Washington, DC 20590. (Docket hours are from 9 am to 5 pm).

FOR FURTHER INFORMATION CONTACT: George Entwistle, Office of Vehicle Safety Compliance, NHTSA (202-366-5306).

SUPPLEMENTARY INFORMATION:

Background

Under 49 U.S.C. 30141(a)(1)(A), a motor vehicle that was not originally manufactured to conform to all applicable Federal motor vehicle safety standards shall be refused admission into the United States unless NHTSA has decided that the motor vehicle is substantially similar to a motor vehicle originally manufactured for importation into and sale in the United States, certified under 49 U.S.C. 30115, and of the same model year as the model of the motor vehicle to be compared, and is capable of being readily altered to conform to all applicable Federal motor vehicle safety standards.

Petitions for eligibility decisions may be submitted by either manufacturers or importers who have registered with NHTSA pursuant to 49 CFR part 592. As specified in 49 CFR 593.7, NHTSA publishes notice in the **Federal Register** of each petition that it receives, and affords interested persons an opportunity to comment on the petition. At the close of the comment period, NHTSA decides, on the basis of the petition and any comments that it has received, whether the vehicle is eligible for importation. The agency then publishes this decision in the **Federal Register**.

Champagne Imports of Lansdale, Pennsylvania ("Champagne") (Registered Importer 90-009) has petitioned NHTSA to decide whether

non-U.S. certified 1991-1997 Honda VFR 750 and 1998-1999 Honda VFR 800 motorcycles are eligible for importation into the United States. The vehicles which Champagne believes are substantially similar are 1991-1997 Honda VFR 750 and 1998-1999 Honda VFR 800 motorcycles that were manufactured for importation into, and sale in, the United States and certified by their manufacturer as conforming to all applicable Federal motor vehicle safety standards.

The petitioner claims that it carefully compared non-U.S. certified 1991-1997 Honda VFR 750 and 1998-1999 Honda VFR 800 motorcycles to their U.S. certified counterparts, and found the vehicles to be substantially similar with respect to compliance with most Federal motor vehicle safety standards.

Champagne submitted information with its petition intended to demonstrate that non-U.S. certified 1991-1997 Honda VFR 750 and 1998-1999 Honda VFR 800 motorcycles, as originally manufactured, conform to many Federal motor vehicle safety standards in the same manner as their U.S. certified counterparts, or are capable of being readily altered to conform to those standards.

Specifically, the petitioner claims that non-U.S. certified 1991-1997 Honda VFR 750 and 1998-1999 Honda VFR 800 motorcycles are identical to their U.S. certified counterparts with respect to compliance with Standard Nos. 106 *Brake Hoses*, 111 *Rearview Mirrors*, 116 *Brake Fluid*, 119 *New Pneumatic Tires for Vehicles other than Passenger Cars*, and 122 *Motorcycle Brake Systems*.

Petitioner additionally contends that the vehicles are capable of being readily altered to meet the following standard, in the manner indicated:

Standard No. 108 *Lamps, Reflective Devices and Associated Equipment*: Installation of U.S.-model head lamp assemblies.

Standard No. 120 *Tire Selection and Rims for Vehicles other than Passenger Cars*: Installation of a tire information label.

Standard No. 123 *Motorcycle Controls and Displays*: Installation of a U.S.-model speedometer/odometer calibrated in miles per hour.

The petitioner also states that a vehicle identification number plate will be affixed to the vehicles to meet the requirements of 49 CFR part 565.

Comments should refer to the docket number and be submitted to: Docket Management, Room PL-401, 400 Seventh Street, SW, Washington, DC 20590. It is requested but not required that 10 copies be submitted.

All comments received before the close of business on the closing date indicated above will be considered, and will be available for examination in the docket at the above address both before and after that date. To the extent possible, comments filed after the closing date will also be considered. Notice of final action on the petition will be published in the **Federal Register** pursuant to the authority indicated below.

Authority: 49 U.S.C. 30141(a)(1)(A) and (b)(1); 49 CFR 593.8; delegations of authority at 49 CFR 1.50 and 501.8.

Issued on: July 1, 1999.

Marilynne Jacobs,

Director, Office of Vehicle Safety Compliance.
[FR Doc. 99-17166 Filed 7-6-99; 8:45 am]

BILLING CODE 4910-59-P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA-99-5607; Notice 2]

Qvale Automotive Group SrL; Grant of Application for Temporary Exemption From Federal Motor Vehicle Safety Standard No. 208

For the reasons given below, we are granting the application by Qvale Automotive Group, SrL of Modena, Italy ("Qvale"), for an exemption until March 31, 2001, from the automatic restraint requirements of Federal Motor Vehicle Safety Standard No. 208 Occupant Crash Protection. Qvale applied for the exemption on the basis that "compliance would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard." 49 CFR 555.6(a).

We published a notice of receipt of the application on May 5, 1999 (64 FR 24216), and received no comments in response.

The discussion that follows is based on information contained in Qvale's application.

Why Qvale Needs a Temporary Exemption

Qvale is an Italian corporation, formed in January 1998. It is controlled by an American corporation owned by the Qvale family of San Francisco, California, which was also formed in January 1998. The American corporation does business as DeTomaso Automobiles, Ltd.

DeTomaso Modena SpA, a small manufacturer of automobiles which produces less than 100 motor vehicles a year, developed a convertible passenger

car, the Bigua, but was financially unable to produce it. Qvale has obtained the worldwide rights to manufacture and sell the Bigua under the name DeTomaso Mangusta. As of March 1999, Qvale had invested more than \$7,000,000 in the Mangusta project, and anticipates an additional investment of \$3,000,000 by the time production begins in September 1999.

When the project began in early 1998, Qvale expected that a Ford Mustang air bag system could be easily integrated into the Mangusta, because DeTomaso Modena had anticipated that the U.S. would be the primary market for the car. However, it has developed that significant re-engineering will be required to incorporate an inflatable restraint system that complies with S4.1.5.3 of Standard No. 208. Qvale believes that it will be able to manufacture a conforming car beginning in May 2000, but says that it needs an exemption so that it may sell the Mangusta in the United States, beginning in November 1999, to generate funds under its business plan. It has asked to be exempted through March 31, 2001, to allow for unforeseen problems during development. The applicant intends to retrofit exempted vehicles with air bag systems when they become available. It anticipates sales of 200-250 Mangustas under the exemption.

Why Compliance Would Cause Qvale Substantial Economic Hardship

Neither Qvale nor its American parent has had any income or sales since their inception in January 1998. Qvale had a net loss of \$685,000 for 1998, with a negative cash flow of \$511,000. If an exemption is not granted and U.S. sales do not begin until May-June 2000, the company anticipates total net losses of approximately \$4,800,000 in 1999 with a total negative cash flow of over \$3,000,000. Even with an exemption that would permit U.S. sales to begin in November 1999, Qvale expects a net loss for 1999 of \$4,124,025 and a negative cash flow of \$2,502,025. In fact, even with an exemption, Qvale anticipates net losses through at least 2001 though the cash flow would become positive in 2000 and increase slightly in 2001.

Qvale's U.S. parent has already hired a sales and distribution staff, and would suffer losses of \$1,800,000 if it cannot begin sales of the Mangusta in November 1999.

How Qvale Has Tried To Comply With the Standard in Good Faith

Qvale's production plan involves the use of the 4.6L Ford Cobra V-8 engine

as well as a significant number of Ford parts including the air bag system. Ford's parts division, Visteon, is the prime subcontractor responsible for the interior and air bags. Isis Automotive, an engineering company in the United Kingdom, has been chosen as the safety engineering project manager.

It was anticipated that the Ford air bag system could be integrated into the Mangusta but the final chassis engineering that had continued during the Fall of 1998 indicated otherwise. Visteon found it necessary to redesign the dashboard, including the passenger side air bag door in order to make the Mangusta commercially viable, but is not able to furnish the redesigned interior parts until the Summer of 1999. Without these parts, an air bag system cannot be properly tested. In addition, the construction of 10 pre-production prototypes necessary for safety testing has been delayed until July 1999 because of problems with the prototype manufacturer (an outside supplier) and ongoing design changes. Finally additional time is needed to organize the supplier and engineering personnel and resources necessary for the air bag system development work (e.g., laboratory testing and sensor calibration).

Because of these factors, Qvale's plans to incorporate an air bag system have been delayed from September 1999 to May or June 2000.

Why Exempting Qvale Would Be Consistent With the Public Interest and Objectives of Motor Vehicle Safety

Qvale believes that the small number of vehicles that will be produced under an exemption will have no discernable effect upon safety. It intends to equip all of its U.S. vehicles with manual three point belts, and will meet the injury criteria specified in S4.1.5.3 when tested with belted dummies. The company will affix a label to the instrument panel informing occupants of the exemption and the need to fasten their safety belts. Qvale plans to re-engineer its air bag system so that it may be installed as a retrofit in exempted vehicles. Mangustas will comply with all other applicable Federal motor vehicle safety standards.

In Qvale's opinion, an exemption would permit the availability in the U.S. of the Mangusta's "high technology, light weight TRM composite body." The success of the project will have a beneficial effect upon Visteon, a division of Ford Motor Company, as well as employment elsewhere in the U.S. of sales and service personnel.