the trademark includes the word ''Laminated'' and also includes an aftermarket National Auto Glass Specification number that identifies the vehicles for which the windshield is designed. With the windshield markings provided, a customer is highly unlikely to encounter any problems obtaining the appropriate replacement windshield should that need arise.

This marking failure first occurred on the Contour/Mystique and was precipitated by a production change to remove the windshield shade band. In the setup for the production of clear windshields, the AS1 mark was inadvertently omitted when trademark information was provided to a supplier. The same band was subsequently deleted on the other noncompliant vehicles, resulting in those windshields also being produced without the mark.

The stated purposes of FMVSS 205 are to reduce injuries resulting from impact to glazing surfaces, to ensure a necessary degree of transparency in motor vehicle windows for driver visibility, and to minimize the possibility of occupants being thrown through the vehicle windows in collections. Because the windshields fully meet all of the applicable performance requirements, the absence of the AS1 mark has no effect upon the ability of the windshield glazing to satisfy these stated purposes and thus perform in the manner intended by FMVSS 205. Neither Ford nor Mazda is aware of any complaints of crashes or injuries related to this condition.

Though not a safety concern, to preclude any potential customer difficulty during vehicle inspections in states where glazing markings are checked during the state inspection process, Ford and Mazda, beginning in January 1999, are providing letters to the approximately 87,500 affected owners in those states (i.e., California, Maine, Maryland, Missouri, New Jersey, New York, Oklahoma, Utah, Vermont, and West Virginia). These letters will identify the condition, certify that the windshields fully meet all other marking requirements and all performance requirements of FMVSS 205, and indicate that state authorities responsible for vehicle inspections have been notified of this condition. These letters also indicate that Ford and Mazda will apply the AS1 marking on any noncompliant windshield in these states if the owner requests the marking be applied. In addition, Ford and Mazda will advise dealers in these states, through the year 2001, to mark the windshields that do not have the AS1 mark when the vehicle is brought in for a regular service, regardless of whether the marking has been requested by the owner. Based on Ford's past experience with such programs, the company believes that this will result in the majority of the windshields in these states being marked. Also, coincident with the owner letters, a letter will be sent to the appropriate authority in the above identified states providing any explanation of the condition, certification that the windshields fully meet all other marking requirements and all performance requirements of FMVSS 205, and a listing of vehicle VIN numbers of all affected vehicles registered in that state.

Interested persons are invited to submit written data, views and arguments on the petition of Ford, described above. Comments should refer to the Docket Number and be submitted to: Docket Management, National Highway Traffic Safety Administration, Room PL 401, 400 Seventh Street, SW., Washington, DC 20590. It is requested that two copies be submitted.

All comments received before the close of business on the closing date indicated below will be considered. The application and supporting materials, and all comments received after the closing date will also be filed and will be considered to the extent practicable. When the application is granted or denied, the Notice will be published in the **Federal Register** pursuant to the authority indicated below.

Comment closing date: June 4, 1999.

(49 U.S.C. 30118, 30120; delegations of authority at 49 CFR 1.50 and 49 CFR 501.8).

Issued on: April 29, 1999.

L. Robert Shelton,

Associate Administrator for Safety Performance Standards.

[FR Doc. 99–11258 Filed 5–04–99; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA–99–5607; Notice 1]

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

We are asking your views on the application by Qvale Automotive Group, SrL of Modena, Italy (''Qvale''), for an exemption until March 31, 2001, from the automatic restraint requirements of Motor Vehicle Safety Standard No. 208 Occupant Protection Systems. Qvale has applied 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 are publishing this notice of receipt of the application in accordance with our regulations on temporary exemptions. This action does not represent any judgment by us about the merits of the application. 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 automatic 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 and 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.

How To Comment on Qvale's Application

If you would like to comment on Qvale's application, send two copies of your comments, in writing, to: Docket Management, National Highway Traffic Safety Administration, Room PL–401, 400 Seventh Street, SW, Washington, DC 20590, in care of the docket and notice number shown at the top of this document.

We shall consider all comments received before the close of business on the comment closing date stated below. To the extent possible, we shall also consider comments filed after the closing date. You may examine the docket in Room PL–401, both before and after that date, between 10 a.m. and 5 p.m.

When we have reached a decision, we shall publish it in the **Federal Register**.

Comment closing date: May 25, 1999.

Authority: 49 U.S.C. 30113; delegations of authority at 49 CFR 1.50 and 501.4.

Issued on: April 30, 1999.

L. Robert Shelton,

Associate Administrator for Safety Performance Standards.

[FR Doc. 99–11301 Filed 5–4–99; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33725 (Sub–No. 1)]

CSX Transportation, Inc.—Trackage Rights Exemption—Consolidated Rail Corporation

AGENCY: Surface Transportation Board.

ACTION: Notice of exemption.

SUMMARY: The Board, under 49 U.S.C. 10502, exempts the trackage rights described in STB Finance Docket No. 33725 to permit the trackage rights to expire on the Split Date (as described in this decision) or June 30, 1999, whichever occurs first, in accordance with the agreement of the parties.[1]

As noted by CSXT, this trackage rights arrangement is intended to be only temporary. The Conrail trackage that is the subject of the trackage rights is to be allocated to Conrail's subsidiary, New York Central Lines LLC, and operated by CSXT, after what is referred to as the ''Split Date,'' or the date of the division of Conrail's assets, as authorized by the Board in *CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company—Control and Operating Leases/Agreements—Conrail Inc., and Consolidated Rail Corporation,* STB Finance Docket No. 33388 (STB served July 23, 1998). CSXT states that it expects the Split Date to occur on June 1, 1999. The parties intend for the trackage rights to terminate on the Split Date, but if the Split Date does not occur before June 30, 1999, the parties' agreement provides for termination of the trackage rights on June 30, 1999.

Under a separate agreement, CSXT is leasing approximately 18,850 feet of track in Conrail's Hillery Yard for storage of railroad cars.

[1] On March 12, 1999, CSX Transportation, Inc. (CSXT) filed a notice of exemption under the Board's class exemption procedures at 49 CFR 1180.2(d)(7). The notice covered the agreement by Consolidated Rail Corporation (Conrail) to grant temporary overhead trackage rights to CSXT, to operate its trains, locomotives, cars and equipment with CSXT's own crews, over: (1) Conrail's Olin Running Track between the Conrail/CSXT connection at milepost 0.5± and milepost 0.0±; and (2) Conrail's Pekin Running Track between milepost 0.0± and the limits of trackage being leased by CSXT at the connection to Conrail's Hillery Yard at milepost 1.85± in Danville, IL, a distance of approximately 1.9 miles, including necessary head and tail room. *See CSX Transportation, Inc.—Trackage Rights Exemption—Consolidated Rail Corporation,* STB Finance Docket No. 33725 (STB served Apr. 1, 1999). The trackage rights operations under the exemption became effective on March 19, 1999, and are subject to standard labor protective conditions.