

**NEW MOTOR VEHICLE BOARD**1507 21ST Street, Suite 330, Sacramento, California 95811

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JAN 30 2012

Edmund G. Brown Jr., Governor
State of CaliforniaTraci Stevens, Acting Secretary
Business, Transportation & Housing Agency

Ramon Alvarez C., President

Ryan L. Brooks • Robert T. (Tom) Flesh • Peter Hoffman • David C. Lizárraga • Bismarck Obando

January 25, 2012

CL-10446471-1988

National Highway Traffic Safety Administration
1200 New Jersey Avenue, SE
West Building
Washington, DC 20590INFORMATION Redacted PURSUANT TO THE FREEDOM OF
INFORMATION ACT (FOIA), 5 U.S.C. 552(B)(6)

Case # C-0132-2012

Attached please find a copy of the complaint I received from [REDACTED] concerning
Audi of America, Inc..I'm referring the complaint to you since the facts appear to raise a matter within your
jurisdiction. I'm continuing my mediation efforts on behalf of the complainant and have
suggested that the complainant contact you for additional assistance.

Sincerely,

Jackie Grassinger
Mediator

Enclosure

NH
013112
TW

State of California *Edmund G. Brown Jr.*,
Governor

Business, Transportation and Housing Agency *Traci Stevens*, Acting
Undersecretary

NEW MOTOR VEHICLE BOARD

Consumer Mediation Services Program

1507 21st Street, Suite 330

Sacramento, California 95811

Office: (916)445-1888, Fax:323-1631

nmvbmediation@nmvb.ca.gov

<http://www.nmvb.ca.gov>

Mediation Request Form

Case #:

Assigned To:

First Name: [REDACTED]	MI: [REDACTED]	Last Name: [REDACTED]
Address: [REDACTED]		
City: Berkeley	State: CA	Zip Code: [REDACTED]
Phone: [REDACTED] (Best number to contact you between 8:00 AM and 5:00 PM.)		
Email: paul-[REDACTED]		
Please fill out all sections completely.		
Selling Dealer	Servicing Dealer	Manufacturer/Distributor
Name:	Name: Audi of Oakland	Name: Audi of America
Address:	Address: 2560 Webster St	Address: 3499 West Hamlin Road
City:	City: Oakland	City: Rochester Hills
State: Zip:	State: CA Zip: 94612	State: MI Zip: 48309
Telephone:	Telephone: 888-318-2574	Telephone: (248) 754-3657

Vehicle(make): Audi	Model: s4	Year: 2004
Date of Purchase/Lease: April 2007	Vehicle License#: [REDACTED]	Current Mileage: 115000
This was a: Purchase	Mileage at Purchase/Lease: 19000	Vehicle I.D. NO.: WAUPL68E64A [REDACTED]
The vehicle was: Used	Type of Warranty on Vehicle: Manufacturer Extended	
Have you given written notice of defects to manufacturer? Yes Has manufacturer (or designated agent) attempted repairs? No If yes, list repair dates:		
IMPORTANT NOTICE: I voluntarily consent to the New Motor Vehicle Board's release of personal information contained in this form to the dealer(s), manufacturer, distributor, or other parties named herein for the purposes of mediating this dispute and until such time as the complaint is resolved or I withdraw my consent. Section 20 and 3000 of the California Vehicle Code make it unlawful to use a false or fictitious name or knowingly make false statements or knowingly conceal any material fact in any document filed with the New Motor Vehicle Board.		
Basis Of Complaint		
Engine		
Details Of Complaint • My 2004 Audi S4 failed while I was driving on the freeway; engine, power brakes and steering all died. After I wrestled the car to the side of the road I had it towed to the Oakland, CA Audi dealer. After inspection, Audi service personnel advised me that the car had suffered "catastrophic engine failure" most likely due to a failure of the timing chain or adjusters • I have since learned that this is a relatively common problem for this car model and year. Numerous cases have been documented, including complaints to the NHTSA, and to numerous consumer forums • They quoted me an estimate of \$24,000 to fix the car • I tried to negotiate in good faith with the company and was finally referred to		

their Legal Department. They said that they would only communicate with attorneys, but have refused to communicate with the attorney I was forced to retain • Audi has refused to repair or repurchase my vehicle, notwithstanding the latent defect that caused it to fail • The specific mechanical flaw seems to be that car has a 'timing chain' that coordinates the action between the pistons and the valves. The timing chain is supported by several plastic 'guides'. The guides are pushed against the chain by 'adjusters'. This model engine has a flaw that makes the adjusters fail • The first indication of the imminent failure is a noise that is reported by many owners. Audi has a Technical Service Bulletin that specifically tells dealer service technicians to defend the noise as normal and of no concern • Many cars of this model and this year have this problem. Audi's official position is that the noise is 'normal' and there is no service required. Then, when it does fail, the result is complete engine failure and a huge, \$24,000 bill

Ref: VIN WAUPL68E64A [REDACTED]

Jackie,

As we discussed, I am concerned that the evaluation Audi has made is based on a misunderstanding of the issue. In a nutshell:

- My car is a 2004 Audi S4
- The engines in this model use timing chains, not timing belts. (Please see attached photo)
- My chain, or the related adjusters/guides, apparently failed and caused a "catastrophic engine failure". (Those are Audi's words)
- There is a serious and frequently reported problem with the chains. I easily found several dozen similar engine failures for Audi S4s with 4.2L V8 engines. The majority was from my exact model year. While researching for this letter, I came across another similar-sounding case at the same Oakland dealership. (Please see attached "poll" of owners with similar problem)
- There is no maintenance required or recommended for the timing chains. There is maintenance required for models with timing belts; S4 is specifically excluded. The car's manual states that the chain requires no service. I believe the exact quote is "the chain drive is maintenance-free and designed for lifetime service" (Please see attached Maintenance Checklist)
- In some cases, the failure is preceded by a distinct 'rattling' sound as the car starts. However, Audi's official position is that this noise is normal and should be ignored. Again, Audi's words. (Please see attached TSB)
- The subsequent engine failure is so extensive and expensive that the car is not worth fixing. Audi's estimate was \$24,000
- I have already submitted proof of the most recent one, done ~10K miles before the chain failed. I have also given Audi permission to look at their records of the car's maintenance and to check any data in the car's black box to verify that the care was not mistreated or over-revved. I do not have every receipt for every oil change I did over the car's life
- Regarding the attorney, I did not retain an attorney. I did ask one for assistance in order to continue communication with Audi after Audi told me that they would only communicate with an attorney.

I hope that this clarification will help convince Audi that the appropriate way forward is to reach a fair agreement with me.

Thanks for your help on this,

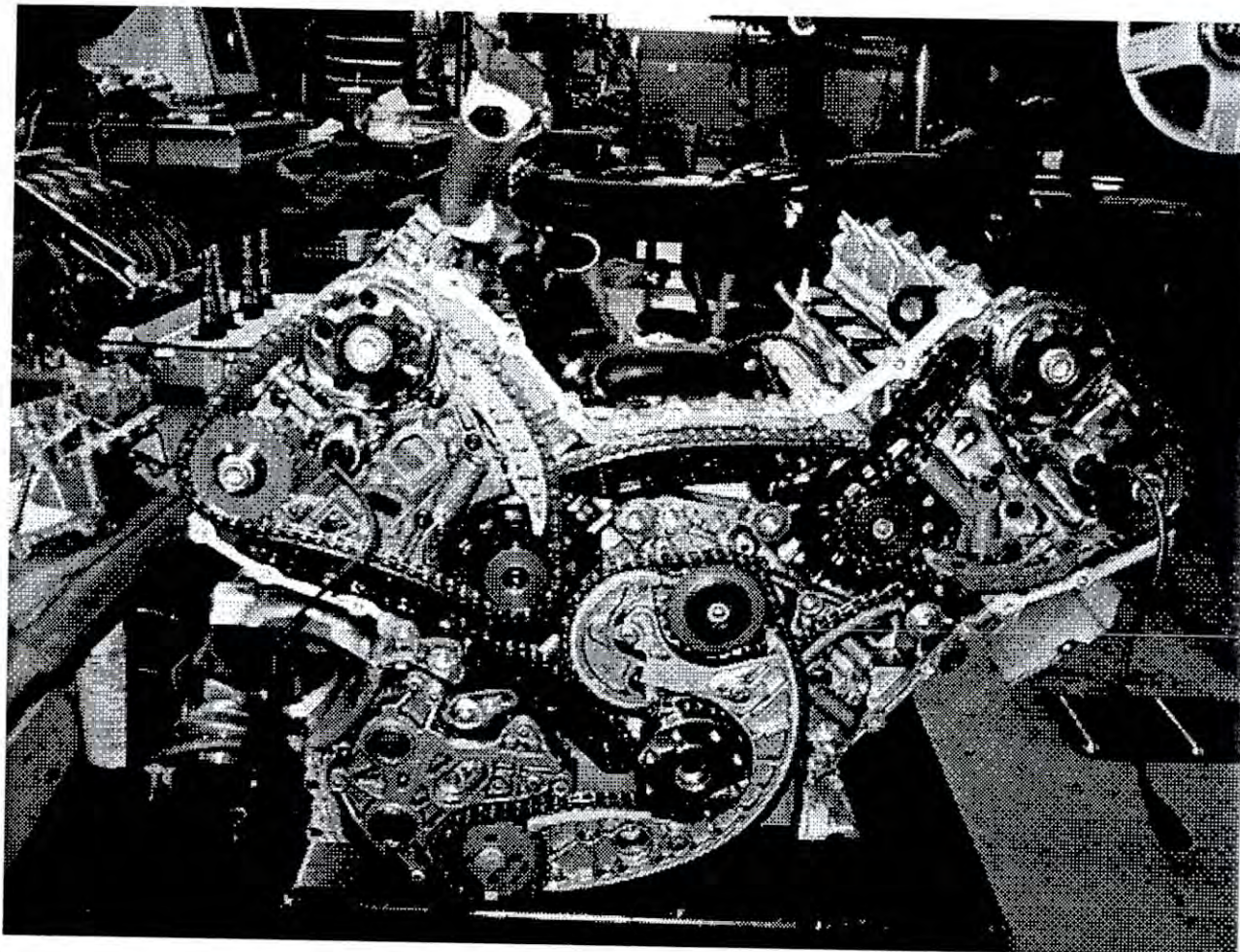
[REDACTED]

[REDACTED]

This photo shows the 2004 Audi S4 engine and its timing chain, not timing belt. (For clarity, many other Audi engines, including other 4.2 liter V8s have timing belts, but my car does not.)

The website where I found this photo also has an educational overview of the apparently common problem related to the timing chains.

<http://www.euroaddiction.net/forum/b6-b7-platform/5527-b6-b7-s4-timing-chain-faq-information-discussion-thread.html>



This is from an Audi Technical Service Bulletin that Audi quoted to me.

Here's is the information from the TSB (2010244/5):

Condition

Rattle or knocking noises from camshaft chain tensioner(s) or camshaft adjuster(s) for 1-2 seconds after engine start.

Technical Background

The camshaft adjustment is hydraulically actuated and controlled by the engine oil pressure. If the engine has been turned off for a long time, the oil pressure drops down and the oil partially flows back into the oil sump.

To ensure an efficient camshaft adjustment right after an engine cold start, the oil pressure inside the camshaft adjusters must be built up as fast as possible. During this time, a rattle or knocking noise may be noticeable.

This noise is normal at engine start and will last until the oil pressure is fully built up, which takes about 1-2 seconds.

Production Solution

Not applicable.

Service

Do not replace the Camshaft Tensioner(s) or Camshaft Adjuster(s) for a noise concern as described above.

Replacing the Camshaft Tensioner(s) or Camshaft Adjuster(s) will not eliminate this noise.

Warranty

This TSB is informational only and not applicable to any Audi warranty.

This is from Audi's maintenance schedule for 2004 cars. Note, there is a service for timing belts, but nothing for chains.

2004 Scheduled Maintenance Intervals

Miles (in thousands)	5/25/45/65/85/105	15/55/95	35/75
Kilometres (in thousands)	8/40/70/100/130/160	25/85/145	55/115
Engine Oil – change oil and replace filter	•	•	•
Wiper/Washer/Headlight Washer – check adjustment and function, add fluid if necessary	•	•	•
Tires and Spare – check for wear and damage, check pressure – check for wear and damage, check pressure and renewal date of tire set (where applicable)	•	•	•
Tires – rotate	•	•	•
Service Reminder Display – reset	•	•	•
Brake System – check for damage, leaks, pad thickness and fluid level – check thickness of pads and brake fluid level	•	•	•
Cooling System – check level, add if necessary	•	•	•
Exhaust System – check for damage, leaks	•	•	•
Engine On Board Diagnostics – check fault memory	•	•	•
Engine Compartment – check for leaks	•	•	•
Battery – check electrolyte level and age if necessary	•	•	•
Dust and Pollen Filter – replace	•	•	•
Automatic Transmission and Final Drive – check for leaks	•	•	•
Manual Transmission and Final Drive – check for leaks	•	•	•
DSG (direct shift gearbox) – change oil and replace filter element	•	•	• TT only
Haldex Clutch – change oil – change oil and filter	•	• TT only	• TT only
Sunroof – clean guide rails and lubricate rails with grease spray	•	•	•
Front Axle – check dust seals on ball joints and tie rod ends	•	•	•
Lights – check all lights, check headlight adjustment	•	•	•
Drive Shaft Boots – check	•	•	•
Doors – lubricate doors, check straps	•	•	•
Spark Plugs – replace at 35,000 miles or 3 years, whichever occurs first. Then, every 40,000 miles or 3 years, whichever occurs first. – replace at 55,000 miles or 6 years, whichever occurs first. Then, every 60,000 miles or 6 years, whichever occurs first. – replace at 75,000 miles	•	•	• 25K only; 25K not offered A2, S4, A6
Continuously Variable Transmission (multitronic) – change ATF	•	•	• 25K only; 25K not offered A2, S4, A6
Power Steering Fluid – check, add if necessary	•	•	•
Air Cleaner – clean housing, replace filter element	•	• 55K only; A4, A6	• 25K only; 25K not offered A2, S4, A6
Ribbed V Belt – check condition – replace	•	•	• 25K only; 25K not offered A2, S4, A6
Snow Screen for Air Cleaner – clean	•	• A4 only	• A4 only
Road Test – check braking, kick-down, steering, electrical, heating and ventilation systems, air conditioning, shift lock operation and power accessories	•	•	•
Rear Lid Hinges – lubricate	•	• A6 only	• A6 only
Timing Belt – replace	•	•	• 25K only; 1 ST, S4, A4, A6; 25K only; 25K not offered A2, S4, A6
Timing Belt and Timing Belt Tensioning System – replace	•	•	• 25K only; 2.7L turbo

Brake Fluid – replace every 2 years regardless of mileage.

Cloth Top – check function and rollover protection every 2 years regardless of mileage (Audi A4 Cabriolet only).

Audi of America, Inc. believes the information and specifications to be correct at the time of

This is a summary from an Audi owner on-line forum. Note that there are several discussion threads dedicated to this exact problem. Of the 20 failures in this one poll, over half are for my exact model year. Also note that the exact term "catastrophic engine failure" was what Audi said to me. If these other owners around the country are using the same words, it looks likely that they are also getting it from Audi, suggesting that they are clearly aware of the issue.

Internet Explorer 8.0.6002.1500
C:\Users\Jared\Desktop\carforum\VB 54 Catastrophic Engine Failure.shtm

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VB 54 Catastrophic Engine Failure?

Home News Forums Classifieds Photos Videos Wiki Resource Store

ELITE MOTORSPORTS 631.775.6634

Forum > Main Model-Line Discussion > B6/B7 S4/R4 > VB 54 Catastrophic Engine Failure?

View Poll Results: If your VB 54 had catastrophic engine failure, what year is it? Voters: 15. You may not vote on this poll.

2004 B6	11	83.33%
2005 B6	3	18.75%
2005 B7	2	10.53%
2006 B7	1	5.26%
2007 B7	0	0%
2008 B7	2	10.53%

Results 1 to 45 of 62

Thread: VB 54 Catastrophic Engine Failure?

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