



U.S. Department
of Transportation

**National Highway
Traffic Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

October 10, 2012

[REDACTED]

Matfield Green, KS [REDACTED]

NVS-216 mec
Ref. No. 10476346

Dear [REDACTED]

Thank you for your correspondence concerning your model year (MY) 2005 Ford Freestar vehicle. Your correspondence was received by the National Highway Traffic Safety Administration's (NHTSA) Office of Defects Investigation.

NHTSA is the Federal agency responsible for improving safety on our Nation's highways. We are authorized to order manufacturers to recall and repair vehicles or motor vehicle equipment when our investigations indicate that they contain safety defects in their design, construction, or performance. We also monitor the adequacy of manufacturers' recall campaigns. In order for the agency to initiate an investigation, we look carefully at the body of consumer complaints and other available data to determine whether a defect trend may exist. However, we do not have authority to act on isolated problems or resolve disputes between individual owners, dealers, or manufacturers.

You indicate that on June 18, the transmission torque converter failed in your MY 2005 Ford Freestar vehicle while driving on a highway. You had your vehicle towed to an independent repair facility and they charged you \$2552.53 to replace the transmission. In March, you received a Ford recall notice indicating that you may be eligible for a refund for the repair. However, the Ford dealer told you that the maximum amount available to cover your repair bill was \$1,500.00. You believe the \$1500.00 limit to the amount of the transmission torque converter repair is unreasonable. Therefore, you are requesting reimbursement for the entire transmission repair and for the rental car expense.

The letter you received was Ford's owner notification letter for NHTSA Safety Recall Campaign No. 12V-006. The recall specifically addresses worn torque converter splines, which do not result in the failure of other transmission components. A Ford torque converter cost around \$600.00. According to Ford, the installation cost is approximately \$500.00, using 5 hours of

labor at an hourly rate of \$100.00. Ford added another \$400.00 to the amount of the owner reimbursement for regions that have a higher labor cost or additional expenses. Costs associated with replacement or repair of the entire transmission are not reimbursable under the recall.

In addition, our statute does not require manufacturers to reimburse owners for additional costs associated with a safety recall (e.g., lost wages while the vehicle is being repaired, car rentals, damage caused by the defect, etc.). Nor does the statute authorize the Federal government to reimburse vehicle owners for any additional cost associated with safety recalls or assist vehicle owners in obtaining reimbursements for cost associated with an alleged defect. We recommend you continue to work with Ford Motor Company regarding your request.

If you have not done so, you may consider contacting your local Consumer Protection Agency, or the Kansas Office of the Attorney General regarding your problem and your rights under State law. You may also ask your dealership for a meeting with a Ford district manager regarding your problem. The Federal Trade Commission (FTC) has jurisdiction over remuneration matters, and fair trade practices. There are three ways to contact the FTC: by toll free telephone at 1-877-FTC-HELP (1-877-382-4357); by mail at Federal Trade Commission, CRC-240, Washington, DC 20580; and by using the Internet complaint form at www.ftccomplaintassistant.gov.

You may also consider contacting the Better Business Bureau (BBB) Auto Line. The BBB offers free mediation/arbitration to resolve warranty disputes under guidelines established by the FTC. Remedies include repair, reimbursement, repurchase or replacement, depending on program eligibility. You can visit their web site at www.bbb.org to file a complaint and review eligibility information, or call the BBB Auto Line at, 1-800-955-5100.

Should you encounter a safety-related problem with a motor vehicle or motor vehicle equipment in the future, we would appreciate it if you would complete an electronic Vehicle Owner's Questionnaire online at www.nhtsa.dot.gov/ivoq or call the Auto Safety Hotline at 1-888-327-4236. Also, a summary listing of vehicle owners' complaints, safety recalls, manufacturers' service bulletins, etc. can be obtained at www.nhtsa.dot.gov/cars/problems.

Sincerely yours,

A handwritten signature in cursive script that reads "Randy Reid".

Randy Reid, Chief
Correspondence Research Division
Office of Defects Investigation
Enforcement