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VEXED

(Volvo Enthusiasis eXposing Egregious Design) http://VEXEDvolvo.org

5/15/06



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May 9, 2006

To:
Fredrik Arp
Fresident and Chief Executive Officer
Volve Car Corporation
SE-405 31 Goteborg
SWEDEN

EA05-021

Open Letter

Reference: Failures of Electronic Throttle Modules on Volvo Cara

Mr. Arp,

On behalf of VEXBD we are writing to express our deepest concern over an ongoing safety issue facing the drivers of Volvo cars C70, S60, S70, S80, V70 and V70XC manufactured between 1999 and 2002. Volvo owners who experienced failures of their Volvo Electronic Throttle Modules (ETM) complain about episodes of stailing or sudden acceleration, often in traffic and at highway speeds. Research from a variety of sources, including internal Volvo documents leads us to the conclusion that a design defect in the ETM itself is responsible for these failures. Therefore, we are writing to request a recall of all affected vehicles and the replacement of the electronic throttle module with a redesigned module.

Internal Volvo documents indicate that Volvo has been aware of the ETM problem as early as 1998, but has ignored internal warnings of a predicted high rate (94%) of throttle failure. There is also evidence that the problem was brought to Volvo's attention both by customers and dealers soon after the first models (1999, 2000) started appearing on the market, with Volvo failing to act on the emerging problem. Alarmed customers complained about their vehicles stalling in very dangerous situations, losing power, heaitating, or surging unexpectedly. Reports have linked the power surge problem to general drivesbility problems and resultant automobile accidents. In any case the failure

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of the ETM causes an unpredictable loss of power, which often places Volvo drivers in dangerous situations. It should also be noted that the guidance provided by Volvo through its owner's manual has provided false reassurance to customers regarding the potential of throttle failure and its consequences.

The National Highway Traffic Safety Administration (NHTSA) in Weshington D.C. has collected 950 complaints reporting the failure of the ETM, and Volvo itself has logged over 3,200 complaints. The investigation launched by NHTSA on July 26, 2005 in response to this elarming trend has now been upgraded to an Engineering Analysis indicating the broad impact of this problem. For your information we are attaching some comments submitted to NHTSA by Volvo drivers.

According to NHTSA there are currently 356,000 Volvo automobiles with the affected Magneti Marelli ETM on the road in the United States and Canada. A significant number of those care have suffered multiple failures of the ETM, with documented reports of such parts failing as early as 3,800 miles following replacement. This constitutes prima facie evidence of Volvo's failure to address adequately the relevant maintenance and repair issues. Volvo owners, including VEXED, are closely monitoring the investigation that is currently being conducted by NHTSA.

The agreement reached between the California Air Resources Board (CARB) and Volvo Cars of North America in November 2005 extends the warranty on the ETM to 200,000 miles or 10 years. While this helps drivers of the affected vehicles with the costs of the necessary repairs, it falls short of addressing the core safety issue. Rather, ETMs are not being replaced at the first sign of failure and cleaning is being used to provide a short-term remedy, leading drivers to believe erroneously that their cars have been successfully repaired. This false sense of safety is very troubling because these vehicles are returned to the road and eventually end up stalling in traffic, often within a few thousand miles of being serviced. Moreover, the software upgrade is unlikely to provide a solution to a problem that, by all indications, is mechanical in nature. This procedure is akin to upgrading the software for the antilock brake system in an attempt to increase the life of brake pads that are already showing signs of failure.

To date, we have no evidence to suggest that Volvo has made any attempt to provide a solution to address the safety concerns of the drivers of the affected vehicles. Volvo contends that a failure of the ETM will simply trigger the vehicle's "limp-home" mode, which is not a safety issue. In fact until the CARB settlement, Volvo's own response to troubled drivers was to dismiss their claims as random and unusual when, at the time, Volvo possessed internal evidence to the contrary. For a company, that prides itself on, and markets itself on the basis of customer safety, this lack of response demonstrates, at best, a reckless disregard for consumer safety and confidence. We feel that Volvo's continued reluctance to redesign the ETM shows indifference to true customer safety.

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The models manufactured between 1999 and 2002 are now reaching accumulated mileages such that ETM failures can be expected to occur at a rapidly accelerated rate. We are writing to urge you to recall the ETMs in the affected cars and replace them with a redesigned part that can be expected to last for the life of the car.

As you are well sware, the majority of your customers purchased their Volvo cars based on your company's professed dedication to safety and reliability. That message is also embodied in Volvo's Global Corporate Mission —"To create the safest and most exciting car experience for modern families". Volvo's trademark has always been synonymous with the highest quality and commanded enormous respect. We know first-hand from the wealth of correspondence we have received that your initial denial and half-hearted response to the ETM issue is contributing to the erosion of your brand name and identity in the global market.

The safety of automobiles on our roads is a primary concern for all of us. We would like to think that is a tightly held value of the Volvo Car Corporation. Immediate action on your behalf is of utmost priority. Any delay on you part to redesign the BTM and initiate a recall could result in fatal consequences for those who trusted that they, indeed, purchased one of the safest cars available. It will only continue to erode the reputation of your company.

Sincerely.

Don Willson Founder "VEXED"

Cc:

Leif Johansson, President and CEO of Volvo Group
Ann Belec, President and CEO, Volvo Cars North America.
William Clay Ford, Jr., Chairman and CEO, Ford Motor Company
Stephen McHenry, Investigator, National Highway Traffic Safety Administration
Tony Kovaleski, 7NEWS Investigative Reporter, Denver Channel 7
Myron Lavin, Staff Writer, Los Angeles Times
David Phillips, Automotive Editor, Detroit News
Clarence Ditlow, Executive Director, Center for Auto Safety
John Urkov, In-Use Vehicle Programs Branch Chief, Air Resources Board, California
http://VEXEDvolvo.org

VOLVO OWNERS' COMMENTS SUBMITTED TO NHTSA FOLLOWING ETM FAILURE

Comments recarding Ineffective recair

V70 2000 Date of Fallure: October 30, 2001 ID Number: 10146320 2005

"FIVE MINUTES AFTER LEAVING THE VOLVO SERVICES DEPARTMENT THE ETM FAILED AGAIN. I CALLED THE DEALER AND THEY TOLD ME THEY DID ALL THAT THEY COULD DO".

580 2000 Date of Failure: September 1, ODI ID Number: 10152099
2000 VOLVO S80. VEHICLE STALLED/DIED, AND LOST POWER. DEALERSHIP REPLACED THROTTLE
BODY THREE TIMES".

880 2000 Data of Failure; October 28, ODI ID Number : 10141399 2005

"WE NOW HAVE HAD OUR POURTH ELECTRONIC THROTTLE BODY REPLACED IN LAST 28 MONTHS. THEY CONTINUE TO "FOX" THE PROBLEM WITH THE SAME REPLACEMENT PART".

V70 2001 Date of Failure: August 1, 2005 DOI ID Number: 10132421

"WE WERE TOLD BY THE MECHANICS THAT IT WASN'T FORED FOREVER, THAT IT WOULD LIKELY START TO FAIL AGAIN AT 90ME POINT BECAUSE IT'S A DESIGN FLAW".

05/10/2006 00:04

S80 2000

Date of Fallure: December 15, 2005

ODI 10 Number : 10153289

"VOLVO 580 2000 MODEL YEAR; CAR INDEPENDENTLY ACCELLERATED WHILE BEING DRIVEN THE CAR SURGED WHEN IN JOLE, THEN WHEN PUT INTO DRIVE, IT SUDDENLY ACCELLERATED WITHOUT MY PRESSING THE GAS. I WAS ABLE TO STOP THE CAR USING THE BRAKE. WHEN I TOOK MY FOOT OFF THE BRAKE, THE CAR AGAIN ACCELLERATED, I STOPPED THE CAR AGAIN, AND WHEN I TOOK MY FOOT OF THE BRAKE IT ACCELLERATED A THIRD TIME. I TURNED THE CAR OFF, AS I WAS IN AN OPEN PARKING LOT, I TURNED THE CAR ON AGAIN TO SEE IF THE PROBLEM WAS REPEATABLE. THE CAR AGAIN SURGED IN IDLE, THEN ACCELLERATED SOON AFTER MY PUTTING IT IN DRIVE, I TURNED THE CAR OFF AND ON AGAIN, AND THE PROBLEM REPEATED A THIRD TIME. FORTY-FIVE MINUTES LATER, THE CAR WAS STARTED WITHOUT INCIDENT. IT WAS BROUGHT TO THE VOLVO DEALER, WHERE THE MECHANICS REPEATEDLY TRIED TO DUPLICATE THE PROBLEM WITHOUT SUCCESS, ONE WEEK AGO THE CAR STALLED!

S80 2000

Date of Fallure: April 8, 2006

.ODf ID Number : 10154908

"I HAVE A 2000 VOLVO 580 T6 WITH SEVERAL ETM OR THROTTLE CONTROL FAILURES. I HAVE HAD IST SERVICED TWICE AND IT CONTINUES TO FAIL. MY NEIGHBOR HAS THE SAME PROBLEM. THE VEHICLE STALLS INADVERTENTLY AND HAS STRANDED ME IN THE MIDDLE OF TRAFFIC WHERE I NARROWLY MISSED BEING HIT BY A TRACTOR TRAILER. MY WIFE ALSO WAS ALMOST HIT WHILE MAKING A LEFT HAND TURN AND STALLING IN THE MIDDLE OF AN INTERSECTION".

Comments including demand for a recall

V70 2000

Date of Pailme: August 8, 2005

ODI ID Number: 10137309

"THIS BTS PROBLEM NEEDS TO BE ADDRESSED IMMEDIATELY - ESPECIALLY SINCE SO MANY PARENTS BOUGHT VOLVOS TO TRANSPORT THEIR PRECIOUS BABIES BASED ON THEIR REPUTATION OF SAFETY".

C70 2000

Date of Pailure: October 20, 2005

ODI ID Number : 10141131

"THE PROBLEMS WITH THE ETM ARE AN ACCIDENT WAITING TO HAPPEN, AND NHTSA SHOULD ISSUE A RECALL OF THIS PART ON ALL 1999 AND 2000 VOLVOS. ANY RELUCTANCE OF VOLVO TO ACREE TO THIS POST HASTE WOULD BE POOR CORPORATE STEWARDSHIP ON BEHALF OF FORD MOTOR COMPANY, THE OWNER OF VOLVO CARS.

V70 XC 2000

Date of failure: July 4, 2005

ODI ID number: 10129414

THIS IS AN UNSAFE DESIGN AND A KNOWN DEFECT BY VOLVO, PLEASE ENCOURAGE VOLVO TO CORRECT THIS PROBLEM"

95/19/2096 98:94

Date of Failure: April 8, 2005 ODI ID Number: 10132227 V70 XC 2000 "I AM NOW CONCERNED THAT WHILE VOLVO REPLACED MY ETM, THEY DID SO WITH THE EXACT SAME DESIGN... THIS PART SHOULD BE RECALLED AND A NEW DESIGN MUST BE INSTITUTED". V70 XC 2001 Date of Failure: July 27, 2005 OOX ID Number: 10139744 "Volvo knows this is a serious issue with the etm. Please hold them responsible for THIS DEFECTIVE PART. I KNOW THERE ARE MANY MANY PEOPLE WHO HAVE THIS ONGOING PROBLEM WITH THEIR CARS" V70 XC 2001 Date of Palture: August 2, 2005 ODI 10 Number : 10131250 THIS PROBLEM SHOULD BE THE BASIS FOR A RECALL TO ADDRESS WHATEVER FIXES OR CHANGES ARE RECESSARY TO PRECLUDE ANY RECURRENCE Date of Fallure: July 13, 2005 V70 XC 2001 ODI ID Rumber : 10131159 "THIS INCIDENT WAS EXTREMELY SCARY I WAS UNHAPPY TO LEARN THAT VOLVO IS WELL AWARE OF THIS PROBLEM, BUT WILL NOT ISSUE A RECALL". Date of Failure: June 29, 2005 V70 XC 2001 ODI ID Number : 10127548 "VOLVO HAS DONE NOTHING TO REPAIR THIS DEFECTIVE ETM. THE THOUGHT OF CAUSING AN ACCIDENT ON A BUSY ROAD WHEN A VOLVO SUDDENLY LOOSES POWER IS FRIGHTENING. IF YOU COULD PLEASE HELP IN LETTING VOLVO KNOW THAT THEY HAVE A RESPONSIBILITY TO KEEP OUR ROADWAYS SAFE". ODT 10 Number : 10131371 S80 2000 Date of Failure: February 1, 2005 "ALL OF THESE MODELS SHOULD BE TAKEN OFF THE STREETS".

Comments testifying to the loss of faith in Volvo

\$80 2000 Date of Failure: February 1, ODI ID Number : 10131371 2005

"ALL OF THESE MODELS SHOULD BE TAKEN OFF THE STREETS. I HAVE COME TO THE CONCLUSION THAT THE CAR THAT I AM DRIVING IN IS A DEATH TRAP. VOLVO'S MOTTO IS "FOR LIPE", I AM STARTING TO TELL PEOPLE, IF YOU VALUE YOUR LIFE, THEN DON'T PURCHASE A VOLVO."

S80 2000

Date of Fallure: July 26, 2005

ODI ID Number: 10134362

"I UNDERSTAND THAT, IN TIME, THE NEW THROTTLE BODY WILL HAVE THE SAME PROBLEMS AS THE OLD ONE. THIS IS AN EXTREMELY DANGEROUS SITUATION; I TRY TO AVOID DRIVING NEAR VOLVOS IF POSSIBLE".

580 2000

Date of Failure: October 26, 2005

ODI ID Number : 10142826

"I CALLED VOLVO CUSTOMER SERVICE TO COMPLAIN ABOUT THE PRE-MATURE FAILURES AND THEIR RESPONSE WAS THERE IS NOTHING THEY CAN DO ABOUT IT. I ALSO STATED THAT I AM DISSATISFIED WITH THEIR PRODUCT QUALITY AND I MAY NOT CONSIDER BUYING ANOTHER VOLVO PRODUCT, THE CUSTOMER SERVICE REP TOLD ME THAT IN THAT CASE VOLVO MAY NOT EVEN

CONSIDER REVIEWING MY CASE AS I MAY NOT CONSIDER BUYING ANOTHER VOLVO".

XC V70 1999

Date of Failure: October 4, 2005

ODI ID Number : 10138704

"THIS PROBLEM COMPROMISES SAFETY, AND WITH THE COST OF THE REPAIR AND LACK OF ALTERNATIVES MEASURES, THIS FEELS LIKE A MANUFACTURER TAKING ADVANTAGE OF THE CUSTOMER. LASTLY, THE DEALER WILL REPLACE THIS FAULTY COMPONENT WITH ANOTHER FAULTY COMPONENT".

S80 2000

Date of Fallura: October 9, 2005

ODI ID Number : 10140053

"I AM APPALLED THAT A COMPANY THAT PRIDES ITSELF ON SAFETY WOLLD ALLOW PEOPLE TO DRIVE THEIR VEHICLES KNOWING THAT THE CARS MIGHT OUT OFF AT ANY TIME".

85/18/2086 88:04

V70 2001

Date of Fature: October 30,

ODI ID Number: 10143299

2005

"I AM FURIOUS THAT THIS CAR MANUFACTURER WOULD RISK THE LIVES OF THEIR CUSTOMERS AND THEIR PASSENGERS BY FAILING TO TAKE ACTION ON THIS ISSUE".

Y70 2001

Date of Fallure: July 26, 2005

ODI ID Number : 10145055

"IT LOST ACCELERATION AND STARTED TO REDUCE POWER, EVENTUALLY RESULTING IN COMPLETE STALLING. CAUGHT BETWEEN TRUCKS AND CARS GOING APPROXIMATELY 65 - 75 MPH. I FELT HOPELESS TO HELP MYSELF: FEARING I WOULD BE KILLED BY TRAFFIC".

V70 XC 2000

Date of Fellure: July 28, 2005

ODI ID Number : 10132712

"I HAD JUST GOTTEN ONTO THE EXPRESSWAY AND THE CAR LOST POWER. I WAS IN THE MIDDLE OF FAST MOVING TRAFFIC AND THE CAR WOULD NOT MOVE. MANY CARS HAD TO SWERVE AROUND ME CAUSING A GRAVE TRAFFIC HAZARD".

S80 2000

Date of Fallure: August 18, 2005

ODJ ID Number : 10134585

"2000 S80 VOLVO 2.9 IS DANGEROUS! I AM AFRAID IT WILL DIE ON HIGHWAY WHILE GOING ON AN ON RAMP"

280 2000

Date of Fallure: June 11, 2005

ODI ID Number: 10131873

"THERE WAS NOTHING LEADING UP TO THE ENGINE STALLING OUT, IT JUST HAPPENED ALL OF A SUDDEN. I HAVE HAD A SUDDEN LOSS OF SPEED/ POWER TO VEHICLE IN THE PAST AND ALSO JUST RECENTLY.. ALONG WITH NO ABILITY TO STEER WHILE DRIVING IN HIGHWAY TRAFFIC AND THEN THE VEHICLE WILL JUST STALL OUT COMPLETELY IN THE MIDDLE OF TRAFFIC".

85/10/2006 68:04 2626872555

V70 XC 2000

Date of Failure: November 3,

ODI ID Number : 10145411

2005

"CAR BEGAN TO RUN IN AN UNCONTROLLABLE MANNER, SPEEDING UP THEN LOOSING POWER WHILE SHAKING VIOLENTLY. MY WIFE WAS DRIVING WITH MY DAUGHTER IN THE CAR. THEY WERE TERRIFIED. I DROVE IT AFTER SHE CALLED FOR HELP".

V70 XC 2000

Date of Failure: September 1, 2005

ODI ID Number : 10146919

"VOLVO IS SUPPOSED TO BE ABOUT SAFETY, SEEMS TO ME THEY CARE MORE ABOUT THEMSELVES AND THEIR POCKETS INSTEAD OF CUSTOMERS AND THEIR FAMILIES".

V70 XC2001

Date of Failure: November 1,

ODI ID Number : 10142165

2005

"RECENTLY WHILE DRIVING 2001 VOLVO XC 70 ALONG WITH ELDERLY MOTHER FROM CREGON TO CALIFORNIA HAD A VERY UNPLEASANT EXPERIENCE THAT COULD HAVE COST THEIR LIVES. ALL OF A SUDDEN VEHICLE LOST T POWER. HAD TO SIT ON A VERY BUSY PREEWAY FOR 2 HOURS IN 180 DEGREE HEAT, AND WAS UNABLE TO RUN THE AIR CONDITIONER OR GET OUT OF THE VEHICLE DUE TO HEAVY TRUCK TRAFFIC".

\$80 2000

Date of Fallure: August 13,

ODI 1D Number: 10131855

2003

"I CONSIDERED THE CAR TOO DANGEROUS TO DRIVE AND SOLD IT WITHIN A MONTH OF THE INCIDENT".

\$80 2000

Date of Failure: October 19, 2005

OPI ID Number : 10140296

| 20

"WHILE DRIVING MY CHILDREN TO SCHOOL ON THE HIGHWAY THE VEHICLE STALLED PORCING ME TO CROSS 3-4 LANES OF HEAVY TRAFFIC".

\$50 2000

Date of Failure; September 26, 2005

ODI 10 Number : 10136034

1 20

"SURGING ENGINE RPM NOTED ON NUMEROUS OCCASIONS WHILE STOPPED, DEALER SAYS IT IS THE ELECTRONIC THROTTLE MODULE AND NOTED IT IS AN ON-GOING PROBLEM WITH THIS MODEL CAR AS WELL AS A SAFETY AND RELIABILITY CONCERN".

Date of Fallure: May 19, 2005 ODI 10 Number : 10130036 580 2000

TI HAVE MADE THREE PAYMENTS ON THIS CAR AND HAVE NOT DRIVEN IT FOR TWO MONTHS FOR FEAR THAT I WILL BE KILLED OR STRANDED".

S80 2000

Date of Fallure: November 1,

ODI TO Number : 10130966

2000

THE VEHICLE CUT OFF. WHEN GETTING READY TO PARK THE VEHICLE LUNGSD FORWARD. DID THE SAME THING WHEN SITTING AT A LIGHT".

Comments describing crashes

V70 2001

Date of Fallure: October 21,

ODI ID Number : 10141463

2005

"MY WIFE WAS ACCELERATING FROM A STOP LIGHT AND THE VEHICLE ACTUALLY LOST ACCELERATION AND SHE WAS HIT BEHIND BY A PICKUP TRUCK. THE DASH READOUT SHOWED THE MESSAGE "PERFORMANCE REDUCED". OUR INSURANCE PAID FOR THE \$2600 IN DAMAGES. OUR VOLVO MECHANIC DETERMINED THAT THE PROBLEM WAS IN THE ELECTRONIC THROTTLE MODULE AND SAID THAT THIS WAS A FAIRLY COMMON OCCURRENCE IN THIS YEAR MODEL!

S70 2000

Date of Fallure: July 21, 2005

ODI ID Number : 10147822

"DURING A SLOW TURN INTO A NEIGHBORS DRIVEWAY, SPEED ABOUT 5 MPH. TURNING RIGHT. TOUCHING THE ACCELERATOR, THE CAR ENGINE ACCELERATED AT FULL SPEED, DESPITE FOOT FULLY INTO THE BRAKE THE CAR CONTINUED TO ACCELERATE 40-50 FEET UNTIL IMPACTING THE FOUNDATION OF THE HOUSE, SPEED A TIME OF IMPACT 40+ MPH, TRIED TO TURN OFF IGNITION BUT HIT HOUSE FIRST, CONSIDERABLE DAMAGE TO HOUSE AND CAR, TWO INJURIES "