

06E-095
(10 pages)



LIPPERT COMPONENTS, INC.

2766 College Avenue, Goshen, Indiana 46528

Phone: 574-535-2085

Fax: 574-535-2091

www.lippertcomponents.com

November 13, 2006

VIA TELECOPY

Mr. Daniel C. Smith
Associate Administrator, Safety Assurance
National Highway Traffic Safety Administration
US Department of Transportation
400 Seventh St. SW, Room No. 5321
Washington, D.C. 20590

Ref: NVS-212gtb; PE06-036 to PE06-040

Dear Mr. Smith:

Attached is Lippert Components, Inc.'s, ("LCI's") Defect Information Report, complying with the requirements of 49 CFR Part 573, Defects and Noncompliance Reports. This report contains the details of a recall regarding a potential safety related deficiency in a small number of axles manufactured by LCI that are used on recreational travel trailers. The potential for a spindle weld axle failure without warning may exist on some of these units.

This issue is the subject of NHTSA inquiries PE06-036 to PE06-040. LCI will conduct a voluntary safety recall to inspect and, if necessary, replace axles that have mislocated axle spindle welds. LCI will formalize the recall requirements in the near future.

Copies of our notification to the affected trailer manufacturers are attached. Copies of our proposed notification letters to dealers and customers are also attached for your review and approval.

Sincerely,

Scott T. Mereness
Executive Vice President and COO

Attachments

cc: Mr. Richard Boyd (*with attachments*)
Tom Bowman (*via email, with attachments*)

Safety Defect and Noncompliance Report Guide for Equipment
PART 573 Defect and Noncompliance Report¹

On November 7, 2006, Lippert Components, Inc. decided that a defect which relates to motor vehicle safety exists in items of motor vehicle equipment listed below, and is furnishing notification to the National Highway Traffic Safety Administration in accordance with 49 CFR Part 573 Defect and Noncompliance Reports.

Date this report was prepared: November 13, 2006

Furnish the manufacturer's identification code for this recall (if applicable): N/A

1. Identify the full corporate name of the fabricating manufacturer/brand name/trademark owner of the recalled item of equipment. If the recalled item of equipment is imported, provide the name and mailing address of the designated agent as prescribed by 49 U.S.C. §30164.

Lippert Components, Inc.

Identify the corporate official, by name and title, whom the agency should contact with respect to this recall.

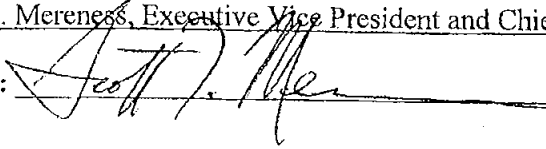
Scott T. Mereness, Executive Vice President and Chief Operating Officer

Telephone Number: 574-535-2085

Fax No.: 574-535-2091

Name and Title of Person who prepared this report.

Scott T. Mereness, Executive Vice President and Chief Operating Officer

Signed: 

¹ Each manufacturer must furnish a report, to the Associate Administrator for Safety Assurance, for each defect or noncompliance condition which relates to motor vehicle safety. This guide was developed from 49 CFR Part 573, "Defect and Noncompliance Reports" and also outlines information currently requested. Any questions, please consult the complete Part 573 or contact Mr. Jon White at (202) 366-5226 or by FAX at (202) 366-7882.

I. Identify the Recalled Items of Equipment

2. Identify the Items of Equipment Involved in this Recall, for each make and model or applicable item of equipment product line (provide illustrations or photographs as necessary to describe the item of equipment), provide:

Generic name of the item: Trailer axle

Make: Lippert Components, Inc.

Model: See Figure A.

Production Date: Axles from production runs on the following dates, by manufacturer, that were on trailers sold to retail customers but have not yet been inspected by LCI for spindle weld location verification:

Vehicle OEM (Min)	Axle Series or Family	Axle Model	Axle Part Number	Axle Serial Number Range	Axle Build Date	Estimated Qty Retail Sold Yet to Be Inspected	RPO#
CROSSROADS	5200	LCI52	123324	184749-184766	8-May-06	8	RV3740
STARCRAFT	3500	LCI35	136216	204350-204409	31-May-06	29	RV5205
CROSSROADS	4000	LCI52	125706	204254-204313	31-May-06	29	RV5184
STARCRAFT	3500	LCI35	136230	212516-212635	7-Jun-06	59	RV5640
FLEETWOOD	3500	LCI35	136328	208841-208904	5-Jun-06	25	RV5413
Total						150	

Figure A.

Part Number: See Figure A.

Size: See Axle Series or Family in Figure A.

Function: Support weight of trailer and allows wheels to roll

Other information which characterizes/distinguishes the items of equipment to be recalled:

Axles have an axle serial tag, which is located in the center of the axle tube, containing the Axle Model, Axle Part Number, Axle Serial Number and Axle Build Date as described in Figure A.

Identify the approximate percentage of the production of all the recalled models manufactured by your company between the inclusive dates of manufacture provided above, that the recalled model population represents. For example, if the recall involved Widgets equipped with certain items of equipment from January 1, 1996, through April 1, 1997, then what was the percentage of the recalled Widgets of all Widgets manufactured during that time period.

III. Describe the Defect or Noncompliance

5. Describe the defect or noncompliance. The description should address the nature and physical location of the defect or noncompliance. Illustrations should be provided as appropriate.

The weld joining the axle tube to the spindle was mislocated.

Describe the cause(s) of the defect or noncompliance condition.

The axle spindle failures are believed to be the result of a mislocated axle weld applied during manufacture, most likely due to a marked increase in daily production volumes beginning in May and continuing through June, which brought with it a need for enhancements to the existing production and quality control processes. Another contributing factor (although not entirely traceable) may have been the Genesis Welder No. 3 at LCI's manufacturing plant, which went on line on May 17, 2006. The combination of these two conditions may have lead to a small number of axles with mislocated welds being approved for shipment to the customer.

Describe the consequence(s) of the defect or noncompliance condition.

The spindle may partially or completely separate from the axle tube and the wheel and hub assembly may come off the vehicle.

Identify any warning which can (a) precede or (b) occur.

There have been no reports of visual, audible or tactile feedback that immediately preceded an alleged spindle weld axle failure.

If the defect or noncompliance is in a component or assembly purchased from a supplier, identify the supplier by corporate name and address.

Lippert Components, Inc. is the manufacturer of the axle assembly.

Identify the name and title of the chief executive officer or knowledgeable representative of the supplier:

Scott T. Mereness, Executive Vice President and Chief Operating Officer

IV. Provide the Chronology in Determining the Defect/Noncompliance

If the recall is for a defect, complete item 6, otherwise item 7.

6. With respect to a defect, furnish a chronological summary (including dates) of all the principle events that were the basis for the determination of the defect. The summary should include, but not be limited to, the number of reports, accidents, injuries, fatalities, and warranty claims.

- There have been no reports of accidents, injuries or fatalities relating to a small number of reported axle failures involving mislocated spindle welds.
- Beginning in June, 2006, LCI began to notice a small, albeit abnormal, spike in complaints of alleged spindle weld axle failures limited to axle build dates during the months of May and June 2006.
- By mid-August 2006, LCI was aware of 15 field reports of potential spindle weld axle failures from the May and June production runs. LCI's investigation continued, but the cause of these failures was not conclusively known.
- On September 1, 2006, in response to a verbal request from ODI, LCI voluntarily identified its known reports of alleged spindle weld axle failures.
- On September 7, 2006, ODI opened its investigations (PE06-036 to PE06-040) into the reports of alleged spindle weld axle failures and on September 25, 2006, ODI sent its Information Request (IR) to LCI.
- On October 31, 2006, LCI sent ODI its timely response to the IR. LCI informed the agency that its investigation to date suggested that the known complaints of spindle weld axle separations were limited to a small number of axles manufactured during twelve specific production runs in the months of May and June 2006. LCI had surveyed over 2,400 axles from the May and June production runs and found no other mislocated spindle welds. Beginning in June, 2006, LCI instituted numerous enhancements to its manufacturing and quality control processes. Production ceased from June 23, 2006 to July 10, 2006 as a result of a holiday shutdown, during which time the enhancements to manufacturing and quality control processes continued. LCI concluded that the small number of axles with mislocated welds were prone to fail early in the product life cycle, several occurring almost immediately after chassis loads were applied and the trailer was moved. LCI has not received a report of a single axle spindle weld failure from post-June 19, 2006 production, a period of over four months. This suggested to LCI that the small number of axles with the mislocated welds from May and June production have already manifested in a failure and LCI had already replaced

these axles at no cost to the customer. LCI suggested to ODI that, based upon the failure mode, the field data and LCI's in-depth investigation, axles currently in use by the public on trailers very likely do not include LCI axles that have a mislocated spindle weld present.

- On November 7, 2006, LCI determined that it would be prudent to conduct a voluntary recall. LCI will immediately notify retail owners and inspect any retail sold axles not yet examined from the twelve May and June 2006 production runs known to have experienced at least one spindle weld failure. Although unlikely, axles that are found to exceed LCI's desired spindle weld tolerances will be replaced at no cost to the customer. Moreover, LCI will continue to monitor field data, and respond accordingly, in the unlikely event that other axles from the May and June 2006 production runs manifest in a spindle weld failure.

7. With respect to a noncompliance, identify and provide the test results or other data (in chronological order and including dates) on which the noncompliance was determined.

N/A

Y. Identify the Remedy

8. Furnish a description of the manufacturer's remedy for the defect or noncompliance. Clearly describe the differences between the recall condition and the remedy.

The axles from production runs identified in Figure A above will be inspected and replaced if the spindle weld exceeds LCI's desired tolerances (which varies depending on the axle class and the weld process applied).

Clearly describe the distinguishing characteristics of the remedy component/assembly versus the recalled component/assembly.

The recalled axles will have a serial tag attached to the axle containing the identifying information referenced in response to Part I, Question 2 and listed in Figure A. The axles that are not included in the recall will have serial tags attached to the axle which contain identifying information that is not listed Figure A.

Identify and describe how and when the recall condition was corrected in production. If the production remedy was identical to the recall remedy in the field, so state. If the product was discontinued, so state.

Beginning in June 2006, LCI instituted numerous enhancements to its axle production and quality control processes. LCI has experienced no reports of spindle weld axle failures with build dates after June 19, 2006.

VI. Identify the Recall Schedule

Furnish a schedule or agenda (with specific dates) for notification to other manufacturers, dealers/retailers, and purchasers. Please, identify any foreseeable problems with implementing the recall.

Manufacturers, dealers and retail customers were notified by telephone beginning November 8, 2006. LCI will send draft manufacturer, dealer and retail customer letters to NHTSA during the week of November 13, 2006. Letters to manufacturers, dealers and retail customers will be sent immediately after NHTSA approval is given. LCI intends to conduct the field inspections and, if necessary, part replacements.

VII. Furnish Recall Communications

9. Furnish a final copy of all notices, bulletins, and other communications that relate directly to the defect or noncompliance and which are sent to more than one manufacturer, distributor, or purchaser. This includes all communications (including both original and follow-up) concerning this recall from the time your company determines the defect or noncompliance condition on, not just the initial notification. *A DRAFT copy of the notification documents should be submitted to this office by Fax (202-366-7882) for review prior to mailing.*

Note: These documents are to be submitted separately from those provided in accordance with Part 573.8 requirements.

[
November ____, 2006

[OEM NAME AND ADDRESS]

RE: Safety Recall: _____

Dear [OEM CONTACT]:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act.

REASON FOR THIS RECALL

Lippert Components, Inc. ("LCI") has decided that a defect which relates to motor vehicle safety may exist with the weld joint between the axle tube and spindle on certain axles manufactured by LCI during specific production runs in May and June, 2006. These axles were thereafter installed on certain [OEM NAME] fifth wheels and travel trailers. The axles may have a deficient weld joint between the axle tube and spindle. The spindle may separate from the axle tube and the wheel and hub assembly may come off the vehicle which could result in a crash without prior warning.

WHAT WE WILL DO

A separate notice has been sent to your selling dealerships and their affected retail customers regarding this situation. The dealerships and retail customers have been instructed to contact LCI. LCI stands ready to assist you, your dealers and the retail customers in addressing this condition by inspecting and, if necessary, replacing the axles identified on the attached listing without charge.

WHAT YOU SHOULD DO

By separate notice we have notified your dealers and their customers to make an appointment to have all fifth-wheels or travel trailers containing axles shown on the attached listing serviced by LCI or its authorized representative. The notices advise that the affected fifth-wheels or travel trailers must not be moved until the axles are replaced. The service correction will take approximately 3.0 hours per unit. If there are any axles from the attached listing in your inventory, please contact LCI at the number shown below and LCI will inspect and, if necessary, replace the axles without charge.

LCI is best equipped to obtain parts and provide service to ensure the affected fifth-wheels and travel trailers are serviced as promptly as possible. The dealer and retail customers have been instructed to contact Lippert Components, Inc.'s Axle Service & Warranty Department by calling 1-877-870-4900 to schedule their service appointments.

We regret any inconvenience this action may cause you, your dealers or their retail customers. As we are sure you will appreciate the safety and quality of our products are of the utmost importance to us.

Thank you for your attention and cooperation in this matter.

Sincerely,
Lippert Components, Inc.

[NAME]

[TITLE]

cc: National Highway Traffic Safety Administration (NHTSA)

AXLE RECALL NOTIFICATION

November __, 2006

<<Dealer>>

<<Dealer Address>>

<<Dealer Address2>>

<<Dealer Address3>>

Subject: Safety Recall: _____

It has been determined that a defect may exist with the weld joint between the axle tube and spindle on certain axles manufactured by Lippert Components, Inc. ("LCI") during specific production runs in May and June of 2006. These axles may have been installed on certain [OEM NAME] fifth wheels and travel trailers. The serial numbers for these potentially affected axles are:

[LIST HERE OR ON ATTACHMENT]

If the [OEM NAME] unit(s) are equipped with axles from the list above and are still in your lot inventory, federal law requires that the recall service be completed on the specified units before retail delivery. LCI will inspect and replace, if necessary, the affected axles at no charge.

ALERT: Continued use of the unit without having the preventative actions completed immediately could lead to personal injury or death.

Attached is a copy of the recall notification letter we sent to the retail owners of these units. LCI is best equipped to obtain parts and provide service to ensure your affected inventory of fifth-wheels and travel trailers is serviced as promptly as possible. Please contact Lippert Components, Inc.'s Axle Service & Warranty Department by calling 1-877-870-4900 to schedule your service appointment.

We apologize for any inconvenience this situation may cause and greatly appreciate your cooperation. Should you have any questions or concerns regarding this voluntary recall campaign, please feel free to contact LCI's Axle Service & Warranty Department at the number above.

Sincerely,

LIPPERT COMPONENTS, INC.

[NAME]

[TITLE]

cc: National Highway Traffic Safety Administration (NHTSA)

November __, 2006

[Name and address]

VIN: _____

RE: Safety Recall: _____

Dear _____:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act.

REASON FOR THIS RECALL

Lippert Components, Inc. ("LCI") has decided that a defect which relates to motor vehicle safety may exist in certain 2006 Lippert Components, Inc. axles manufactured in May and June of 2006, which were installed on [OEM NAME] fifth wheels and travel trailers. The affected units may have a deficient axle weld joint between the axle tube and spindle. The spindle may separate from the axle tube and the wheel and hub assembly may come off the vehicle which could result in a crash without prior warning.

WHAT WE WILL DO

A notice has been sent to your selling dealership regarding this situation. LCI stands ready to assist you in addressing this condition by inspecting and, if necessary, replacing the axles without charge.

WHAT YOU SHOULD DO

ALERT: Continued use of the unit without having the preventative actions completed immediately could lead to personal injury or death.

Your fifth-wheel or travel trailer must not be moved until the axles are inspected and, if necessary, replaced. LCI is best equipped to inspect and replace the axles as promptly as possible. At your earliest convenience, please make an appointment to have your fifth-wheel or travel trailer serviced by LCI or its authorized representative. Please contact Lippert Components, Inc.'s Axle Service & Warranty Department by calling 1-877-870-4900. The inspection and, if necessary axle replacement, can be performed at location that is convenient for you. This service correction will take approximately 3.0 hours.

If for some reason you are unable to have the service correction made within a reasonable time or without charge, you may submit a written complaint to: Administrator, National Highway Traffic Safety Administration, 400 Seventh Street SW, Washington, DC 20590. You may call the toll-free Vehicle Safety Hotline at 1-888-327-4236 (TTY: 1-800-424-9153; or go to <http://www.safercar.gov>.)

We regret any inconvenience this action may cause you. As we are sure you will appreciate, the safety and quality of our products are of the utmost importance to us.

Thank you for your attention and cooperation in this matter.

Sincerely,
Lippert Components, Inc.

[NAME]

[TITLE]

cc: National Highway Traffic Safety Administration (NHTSA)



LIPPERT COMPONENTS, INC.

2766 College Avenue, Goshen, Indiana 46528

Phone: 574-535-2085

Fax: 574-535-2091

www.lippertcomponents.com

November 13, 2006

VIA ELECTRONIC MAIL

Craig Biazo
Director of Services
Fleetwood Enterprises, Inc.
3030 Myers Street, PO Box 7638
Riverside CA 92513-7638

RE: NHTSA Defect Investigation - Lippert Components, Inc. Axles

Dear Craig:

As you may know, the National Highway Traffic Safety Administration (NHTSA) has opened an investigation (PE06-036 to PE06-040) into a potential safety related deficiency in a small number of axles manufactured by our company. It is our belief that some of these axles are used on coaches manufactured and/or assembled by your company. The potential for a spindle weld axle failure without warning may exist on some of these coaches. LCI has decided to conduct a voluntary recall of a small number of these units.

Accordingly, today LCI has sent to NHTSA, via fax and email, a Defect Information Report, complying with the requirements of 49 CFR Part 573, Defects and Noncompliance Reports. A copy of this report is attached and it identifies the reasons for the recall, the units that are subject to this recall and the remedial action to be taken by LCI. The remedy we are undertaking is to inspect and, if necessary, replace axles that have mislocated axle spindle welds.

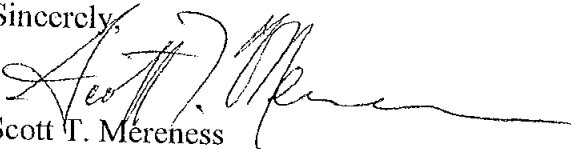
This communication may trigger your company's need to also submit a Part 573 Defect Information Report to NHTSA within 5 days. We encourage you to immediately consult with your legal counsel or, alternatively contact Tom Bowman at NHTSA (202-366-2583) for further guidance on your Part 573 reporting obligations. You should know that LCI will undertake the responsibility for conducting the recall, including sending out the required notifications to your affected dealers and their retail customers,

paying for the cost of inspecting and; if necessary, replacing deficient axles, and submitting the required NHTSA quarterly reports on behalf of LCI and your company.

We apologize for any inconvenience this situation may cause and greatly appreciate your cooperation. A member of my staff may be contacting your company to get additional information on your dealer and/or retail owner identities so we can make the proper notifications.

Should you have any questions or concerns regarding this voluntary recall campaign, please feel free to contact the undersigned.

Sincerely,



Scott T. Mereness

Executive Vice President and COO

Attachments

cc: Tom Bowman (*via email and fax, with attachments*)
National Highway Traffic Safety Administration
Office of Defects Investigation



LIPPERT COMPONENTS, INC.

2766 College Avenue, Goshen, Indiana 46528

Phone: 574-535-2085

Fax: 574-535-2091

www.lippertcomponents.com

November 13, 2006

VIA ELECTRONIC MAIL

Joyce Skinner
Starcraft RV
536 Michigan
Topeka, IN 46571

RE: NHTSA Defect Investigation - Lippert Components, Inc. Axles

Dear Joyce:

As you may know, the National Highway Traffic Safety Administration (NHTSA) has opened an investigation (PE06-036 to PE06-040) into a potential safety related deficiency in a small number of axles manufactured by our company. It is our belief that some of these axles are used on coaches manufactured and/or assembled by your company. The potential for a spindle weld axle failure without warning may exist on some of these coaches. LCI has decided to conduct a voluntary recall of a small number of these units.

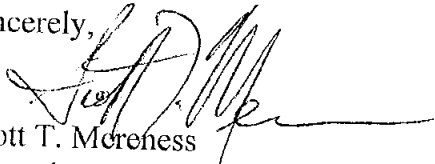
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We apologize for any inconvenience this situation may cause and greatly appreciate your cooperation. A member of my staff may be contacting your company to get additional information on your dealer and/or retail owner identities so we can make the proper notifications.

Should you have any questions or concerns regarding this voluntary recall campaign, please feel free to contact the undersigned.

Sincerely,



Scott T. Mereness
Executive Vice President and COO

Attachments

cc: Tom Bowman (*via email and fax, with attachments*)
National Highway Traffic Safety Administration
Office of Defects Investigation



LIPPERT COMPONENTS, INC.

2766 College Avenue, Goshen, Indiana 46528

Phone: 574-535-2085

Fax: 574-535-2091

www.lippertcomponents.com

November 13, 2006

VIA ELECTRONIC MAIL

Randy Nielsen
Crossroads RV
305 Hawpatch
Topeka, IN 46571

RE: NHTSA Defect Investigation - Lippert Components, Inc. Axles

Dear Randy:

As you may know, the National Highway Traffic Safety Administration (NHTSA) has opened an investigation (PE06-036 to PE06-040) into a potential safety related deficiency in a small number of axles manufactured by our company. It is our belief that some of these axles are used on coaches manufactured and/or assembled by your company. The potential for a spindle weld axle failure without warning may exist on some of these coaches. LCI has decided to conduct a voluntary recall of a small number of these units.

Accordingly, today LCI has sent to NHTSA, via fax and email, a Defect Information Report, complying with the requirements of 49 CFR Part 573, Defects and Noncompliance Reports. A copy of this report is attached and it identifies the reasons for the recall, the units that are subject to this recall and the remedial action to be taken by LCI. The remedy we are undertaking is to inspect and, if necessary, replace axles that have mislocated axle spindle welds.

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We apologize for any inconvenience this situation may cause and greatly appreciate your cooperation. A member of my staff may be contacting your company to get additional information on your dealer and/or retail owner identities so we can make the proper notifications.

Should you have any questions or concerns regarding this voluntary recall campaign, please feel free to contact the undersigned.

Sincerely,



Scott T. Mereness
Executive Vice President and COO

Attachments

cc: Tom Bowman (*via email and fax, with attachments*)
National Highway Traffic Safety Administration
Office of Defects Investigation