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January 12, 2011

Ms. Jennifer T. Timian
Chief, Recall Management Division
Office of Defects Investigation Enforcement
National Highway Traffic Safety Administration
1200 New Jersey Avenue SE
Washington, DC 20590

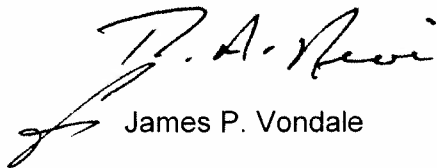
Dear Ms. Timian:

Subject: AQ10-001: NVS-215jt

The Ford Motor Company (Ford) response to the agency's November 18, 2010, letter requesting information concerning recall remedy completion by rental car fleets for safety recall campaigns 04V-602 FMVSS 206/Rear Liftgate Door, 05V-030 Rear Door Latches, 08V-082 FMVSS 208/Neck Injury Requirements, and 10V-161 Front Driver & Passenger Seats Manual Recliners, is attached. Ford understands that it is not the subject of this Audit Query and is providing this information as part of the agency's investigation of safety recall remedy completions of rental car companies. Ford is submitting this information to the agency's Office of the Chief Counsel with a request for confidential treatment pursuant to 49 CFR, Part 512.

If you have any questions concerning this response, please feel free to contact me.

Sincerely,



James P. Vondale

Attachment



FORD MOTOR COMPANY (FORD) RESPONSE TO AQ10-001

Ford's response to this Audit Query information request was prepared pursuant to a diligent search for the information requested. While we have employed our best efforts to provide complete and accurate information, the breadth of the agency's request and the requirement that information be provided on an expedited basis make this a difficult task. We would be pleased to meet with agency personnel to discuss any aspect of this Audit Query.

Ford has construed this request as pertaining to vehicles manufactured for sale in the United States, its protectorates, and territories.

Answers to your specific questions are set forth below. After each numeric designation, we have set forth verbatim the request for information, followed by our response.

Request 1

Separately for each subject recall, provide a table with the following information:

- a. The recall's launch date;
- b. The top ten rental car companies; and then, for each company:
 - i. It's launch count;
 - ii. It's count at 30 days;
 - iii. Number of vehicles remedied at 30 days;
 - iv. Percentage of vehicles remedied at 30 days;
 - v. It's count at 60 days;
 - vi. Number of vehicles remedied at 60 days;
 - vii. Percentage of vehicles remedied at 60 days;
 - viii. It's count at 90 days;
 - ix. Number of vehicles remedied at 90 days;
 - x. Percentage of vehicles remedied at 90 days;
 - xi. It's count at 120 days;
 - xii. Number of vehicles remedied at 120 days;
 - xiii. Percentage of vehicles remedied at 120 days;
 - xiv. It's count at 365 days;
 - xv. Number of vehicles remedied at 365 days; and
 - xvi. Percentage of vehicles remedied at 365 days;

Conspicuously identify the subject recall's NHTSA assigned identification number on each table and name each table "Rental Car Completion Analysis for [insert NHTSA identification number as applicable]." Provide the tables in Microsoft Access or Microsoft Excel format.

In the event Ford expanded the scope of the campaigned vehicles in any significant manner during the course of a campaign, (e.g., expansions Ford would have notified the agency concerning, and not minor changes due to entry and departure of vehicles in and out of the country, as one example) state when it changed the population, and provide a separate aggregation of data for the changed population.

Answer

The requested data for each subject recall is provided as requested in an Excel spreadsheet contained in Appendix A, which has been submitted with a request for confidentiality under separate cover to the agency's Office of the Chief Counsel pursuant to 49 CFR, Part 512.

In addition to the information requested, Ford has also included an additional column of information describing whether each rental company listed participates in Ford's Fleet Service Notification Program (FSNP), described in greater detail in the answer to Request 3.

Ford expanded the scope of recall 05V-030 on November 16, 2005, to include 240,955 additional vehicles; The data for this recall has been separately aggregated in the table labeled "Rental Car Completion Analysis for 05V-030 – Expanded Population" in Appendix A.

Request 2

Separately, for each subject recall, provide a table with the following information as it relates to all other vehicles covered by the subject recall exclusive of the rental car campaigned vehicles:

- a. The recall's launch date;
- b. The total vehicles at launch;
- c. Number of vehicles remedied at 30 days;
- d. Percentage of vehicles remedied at 30 days;
- e. Number of vehicles remedied at 60 days;
- f. Percentage of vehicles remedied at 60 days;
- g. Number of vehicles remedied at 90 days;
- h. Percentage of vehicles remedied at 90 days;
- i. Number of vehicles remedied at 120 days;
- j. Percentage of vehicles remedied at 120 days;
- k. Number of vehicles remedied at 365 days; and
- l. Percentage of vehicles remedied at 365 days;

Conspicuously identify the subject recall's NHTSA assigned identification number on each table and name each table "Non-Rental Completion Analysis for [insert NHTSA identification number as applicable]." Provide the tables in Microsoft Access or Microsoft Excel format.

In the event Ford expanded the scope of the campaigned vehicles in any significant manner during the course of a campaign, (e.g., expansions Ford would have notified the agency concerning, and not minor changes due to entry and departure of vehicles in and out of the country, as one example) state when it changed the population, and provide a separate aggregation of data for the changed population.

In the event Ford is unable to separate its records between rental car companies and all other owners and purchasers of campaigned vehicles, then please so

state, explain why it cannot do so, and provide the above information as to the all campaigned vehicles.

Answer

The requested data for each subject recall is provided as requested in an Excel spreadsheet contained in Appendix B, which has been submitted with a request for confidentiality under separate cover to the agency's Office of the Chief Counsel pursuant to 49 CFR, Part 512.

As noted in our answer to Request 1, Ford expanded the scope of recall 05V-030 on November 16, 2005, to include an additional 240,955 vehicles; The data for this recall has been separately aggregated in the table labeled "Non-Rental Completion Analysis for 05V-030 – Expanded Population" in Appendix B.

Request 3

Provide a description of the information and the information sources Ford used in compiling its responses to questions 1 and 2 and the process or procedure Ford used in calculating those responses.

Answer

As previously mentioned, Ford has developed a Fleet Service Notification Program (FSNP) to facilitate the exchange of certain vehicle information between Ford and certain larger fleets. Four rental car companies currently participate in this optional program: Enterprise Rent-A-Car, The Hertz Corporation, Dollar Rent-A-Car, and Avis/Budget Rent-A-Car. The FSNP allows participating fleets to submit files containing information on all of the vehicles they own, including the VIN and specific branch/franchise location of each vehicle, at a frequency of the fleet's choosing (e.g., weekly, monthly, etc.). Based on each fleet's list of vehicles, Ford provides VIN specific information including recall updates and notices back to each participating fleet on a dedicated website that can be accessed 24 hours a day, seven days a week. In addition to providing this information via the website, Ford also leverages the information provided by each fleet for any owner mailings. The FSNP is completely voluntary and was developed by Ford for the benefit of its fleet customers; therefore, each fleet is responsible for managing not only the frequency with which they provide the vehicle data files, but also the accuracy of the information provided.

The data provided in Appendix A consists of all of the FSNP participants for each of the subject recalls and the top non-FSNP participating rental car companies which, together, comprise the overall top ten rental car companies as requested for each subject recall. In some instances the same rental car company may be listed twice for each of the subject recalls. Because of the voluntary nature of the FSNP, not all subsidiaries and/or franchises of a particular rental car company choose to participate. Therefore, for the purposes of this response, those subsidiaries and/or franchises not participating in the FSNP were combined and listed as a separate entity from the "parent" affiliation in the determination of the top ten rental car companies.

The vehicle count information for this request was gathered from FSNP data, internal sales data, and registered vehicle owner information from R.L. Polk at the launch date of each of the

subject recalls. The recall completion date information was gathered through Ford's Analytical Warranty System (AWS).

Although the agency requested specific vehicle count information for each of the rental car companies at launch, 30, 60, 90, 120 and 365 days, Ford does not have ready means by which to accurately determine changes to specific vehicle volumes for the fleets throughout the respective recall timeframes. For the "Rental Car Completion Analysis," the vehicle count used by Ford in each of the respective calculations at the requested intervals of 30, 60, 90, 120, and 365 days was the vehicle count at the initial launch of the recall.

For each of the "Rental Car Completion Analysis" tables provided in Appendix A, Ford calculated the number of vehicles remedied by subtracting the date at which the recall was performed from the date at which each program was launched for each vehicle associated with the subject recalls. This information was then binned into intervals of 30, 60, 90, 120, and 365 days. This resulted in a cumulative count at the requested points in time. The percentage of vehicles remedied was then calculated by dividing the number of vehicles remedied at each point in time by the total vehicle count at the beginning of the program. These calculations were performed separately for each of the rental car companies participating in the FSNP, as well as those rental car companies or subsidiaries/franchises who do not participate in the FSNP.

For each of the "Non-Rental Completion Analysis" tables provided in Appendix B, a similar calculation as described above was performed for the number of vehicles remedied at each of the requested intervals. This calculation was performed for the entire population of each of the subject recalls and the results listed in row one of each table in Appendix B. The data from the "Rental Car Completion Analysis" in appendix A is then listed in row two and is subtracted from the overall counts to determine the adjusted counts for each of the subject recalls at each of the requested intervals as required in Request 2. This resultant is listed in row three of each table in Appendix B. The corresponding percentage of vehicles remedied was then calculated by dividing the cumulative number of vehicles remedied at each point in time by the total vehicle count for each set of data.

Request 4

Provide any additional information Ford considers important for the agency to consider in reviewing and evaluating Ford's responses to any of the requests above. As one example, identify any anomalies in the data and explain the reason(s) for those anomalies.

Answer

As described in the Answer to Request 3, above, each fleet participating in the FSNP is responsible for managing the frequency with which they provide the vehicle data files, as well as the accuracy of the information. Ford notes that, depending on the timing of each fleet's updates through the FSNP, and due to the high turnover rate in the rental car business, the vehicle count information Ford is able to provide at the program launch date may not be completely up to date.

For example, FSNP data indicates that Budget Rent-A-Car owned 1,259 vehicles subject to recall 04V-602. Further investigation of this data shows that 1,099 of the 1,259 vehicles have an auction sale date prior to the recall launch date of December 20, 2004, indicating that

only 160 of the original 1,259 vehicles were still in Budget Rent-A-Car's inventory at the recall launch date. This example, and the corresponding rates at 30, 60, 90, 120, and 365 days are provided in Appendix C, which has been submitted with a request for confidentiality under separate cover to the agency's Office of the Chief Counsel pursuant to 49 CFR, Part 512. Furthermore, Ford does not have any additional information to verify possession of 152 of the remaining 160 vehicles at the recall launch date. Therefore, Ford believes that the rental car companies themselves would be in the best position to provide accurate vehicle count information.

Ford would be pleased to further discuss this vehicle count data or any other aspect of this Audit Query with agency personnel should the agency desire.

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Environmental & Safety Engineering

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January 12, 2011

Mr. Oakley Kevin Vincent
Chief Counsel
Office of the Chief Counsel
National Highway Traffic Safety Administration
1200 New Jersey Avenue SE, Room W41-322
Washington, D.C. 20590

OFFICE OF THE CHIEF COUNSEL
2011 JAN 16 P 4:57
WASHINGTON, DC 20590

Dear Mr. Vincent:

Subject: Request Under 49 CFR Part 512 for Confidential Treatment of Information

A copy of confidential information referenced in the Ford Motor Company (Ford) January 12, 2011, response to the agency's November 18, 2010, Audit Query regarding rental car safety recall campaign completion, AQ10-001, is attached.

This letter provides support for and requests confidentiality in accordance with 49 CFR Part 512.8. Ford requests confidential treatment for the files included in Appendices A, B, and C because the documents are not customarily released to the public by Ford, and the documents contain confidential business information, the disclosure of which would likely cause substantial competitive harm to Ford (as contemplated in 49 CFR § 512.15, 5 and U.S.C. § 552(b)(4)). The release of this information to the public is substantially likely to damage the business relationship between Ford and rental car companies who purchase Ford vehicles, which may then result in decreased sales of motor vehicles to rental car fleets. Additionally, because certain information in this response is provided to Ford voluntarily by rental car companies, its release is likely to impair the Government's ability to obtain necessary information in the future because Ford may not be able to collect it. Furthermore, the information is submitted voluntarily by Ford.

Ford information of this type is maintained under a record keeping system which is intended to control dissemination of this material within Ford, and to assure that the material is not disseminated outside of Ford, except as described in the attached certification, which is made pursuant to 49 CFR Part 512.4(b).

A Compact disc containing electronic copies of documents provided in Appendices A, B and C are labeled "CONFIDENTIAL" and documents contained in the electronic files are marked "CONFIDENTIAL BUSINESS INFORMATION," in the top margin, as part of this response.

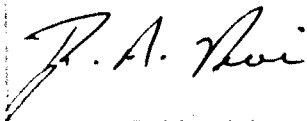


Ford requests that these documents be granted confidential treatment by the agency for a period of ten years. Earlier disclosure of these documents, in Ford's opinion, would result in substantial competitive harm.

In the event that the agency should conclude that all or part of the submitted information is not to be given confidential treatment, Ford asks the agency to provide reasonable notice of not less than ten working days prior to any contemplated disclosure in order that Ford may pursue such legal remedies as it may choose. Please direct all written notices to me at Ford Motor Company, Suite 500, Fairlane Plaza South, 330 Town Center Drive, Dearborn, Michigan 48126. Please direct all non-written communication to Mr. Alan Prescott who may be contacted by telephone at (313) 390-5621.

Thank you for your continuing courtesy.

Sincerely,



James P. Vondale

Attachment