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February 23, 2012

Mr. Frank S. Borris, Director Office of Defects Investigation National Highway Traffic Safety Administration 1200 New Jersey Avenue SE, Room W45-302 Washington, DC 20590

Dear Mr. Borris:

Subject: PE11-039:NVS-212mjl

The Ford Motor Company (Ford) response to the agency's January 5, 2012, letter concerning reports of alleged structural failure or degradation of the third row seat side anchor mechanism, or any corrosion of the rear wheel well in the area of the side anchor mechanism in 2004 through 2007 model year Ford Freestar/Mercury Monterey vehicles is attached.

Ford first introduced a third row "fold flat" seat in the 2004 model year Ford Freestar/Mercury Monterey vehicles. The rear anchor of the third row seat is permanently attached to the vehicle at mounting locations at the floor structure. The permanent mounting mechanism allows for pivot of the seat assembly into either its stowed or occupant positions, and provides for attachment of the occupant restraints. When the seat is in the forward facing occupant position, the lower front portion of the seat is attached to strikers located at the rear wheel wells. This particular design was utilized for the 2004 through 2007 Freestar/Monterey vehicles.

The strikers used to attach the lower front portion of the seat are fastened to the vehicle structure by two nuts on threaded studs welded to a base plate, and the base plate is welded to a larger reinforcement plate. The reinforcement plate is then spot welded to the exterior (wheel side) of the inner wheel well sheet metal component that joins the vehicle body structure, and the weld studs extend into the passenger compartment through an opening in the inner wheel well panel. When the vehicles were produced, this was part of the assembled vehicle body structure that passed through an electrocoat ("e-coat") process prior to painting. Later in the vehicle assembly process, a noise reducing coating was also applied to the exterior of the inner wheel well. Even though the components passed through an e-coat application process after welding and then received a noise reducing coating that also acts as a sealer, moisture may be able to enter the gaps between the two mating parts depending on the e-coat and sealer coverage. Moisture in this area, over time, may led to corrosion in the striker area.

Based upon a review of the information and data included in this response, Ford does not believe that the "alleged defect" presents an unreasonable risk of accident or injury. In all situations the third row seat remains attached to the vehicle by the permanent mounting and the occupant

restraints are unaffected. Given the age of these vehicles and time in service, Ford does not believe the 16 total incidents of which we are aware are indicative of a defect trend. Further, in each instance, owners have become aware through some sort of overt indication, such as difficulty in latching the seat or observation of looseness when the seat was latched. In addition, none of the reports involve any seat movement in an accident.

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

Sincerely,

Steven M. Kenner

Attachment

FORD MOTOR COMPANY (FORD) RESPONSE TO PE11-039

Ford's response to this Preliminary Evaluation information request was prepared pursuant to a diligent search for the information requested. While we have employed our best efforts to provide responsive 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 nevertheless have made substantial effort to provide thorough and accurate information, and we would be pleased to meet with agency personnel to discuss any aspect of this Preliminary Evaluation.

The scope of Ford's investigation conducted to locate responsive information focused on Ford employees most likely to be knowledgeable about the subject matter of this inquiry and on review of Ford files in which responsive information ordinarily would be expected to be found and to which Ford ordinarily would refer. Ford notes that although electronic information was included within the scope of its search, Ford has not attempted to retrieve from computer storage electronic files that were overwritten or deleted. As the agency is aware, such files generally are unavailable to the computer user even if they still exist and are retrievable through expert means. To the extent that the agency's definition of Ford includes suppliers, contractors, and affiliated enterprises for which Ford does not exercise day-to-day operational control, we note that information belonging to such entities ordinarily is not in Ford's possession, custody or control.

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

Ford notes that some of the information being produced pursuant to this inquiry may contain personal information such as customer names, addresses, telephone numbers, and complete Vehicle Identification Numbers (VINs). Ford is producing such personal information in an unredacted form to facilitate the agency's investigation with the understanding that the agency will not make such personal information available to the public under FOIA Exemption 6, 5 U.S.C. 552(b)(6).

Answers to your specific questions are set forth below. As requested, after each numeric designation, we have set forth verbatim the request for information, followed by our response. Unless otherwise stated, Ford has undertaken to provide responsive documents dated up to and including January 5, 2012, the date of your inquiry. Ford has searched within the following offices for responsive documents: Sustainability, Environment and Safety Engineering, Ford Customer Service Division, Research, Global Core Engineering, Office of the General Counsel, Vehicle Operations, and North American Product Development.

Request 1

State, by model and model year, the number of subject vehicles Ford has manufactured for sale or lease in the United States. Separately, for each subject vehicle manufactured to date by Ford, state the following:

- a. Vehicle identification number (VIN);
- b. Make;
- c. Model;
- d. Model Year:
- e. Date of manufacture;

- f. Date warranty coverage commenced; and
- g. The State in the United States where the vehicle was originally sold or leased (or delivered for sale or lease).

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Provide the table in Microsoft Access 2007, or a compatible format, entitled "PRODUCTION DATA." See Enclosure I, Data Collection Disc, for a pre-formatted table which provides further details regarding this submission.

Answer

Ford records indicate that the approximate total number of 2004 through 2007 model year Freestar/Monterey vehicles sold in the United States, (the 50 states and the District of Columbia) protectorates, and territories (American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and Virgin Islands) is 280,524.

The number of subject vehicles sold in the United States by model and model year is shown below:

Model	2004 MY	2005 MY	2006 MY	2007 MY
Freestar	105,251	72,661	51,113	18,591
Monterey	20,640	6,700	4,015	1,553

The requested data for each subject vehicle is provided in Appendix A.

Request 2

State the number of each of the following, received by Ford, or of which Ford are otherwise aware, which relate to, or may relate to, the alleged defect in the subject vehicles:

- a. Consumer complaints, including those from fleet operators;
- b. Field reports, including dealer field reports;
- c. Reports involving a crash, injury, or fatality, based on claims against the manufacturer involving a death or injury, notices received by the manufacturer alleging or proving that a death or injury was caused by a possible defect in a subject vehicle, property damage claims, consumer complaints, or field reports;
- d. Property damage claims;
- e. Third-party arbitration proceedings where Ford is or was a party to the arbitration; and
- f. Lawsuits, both pending and closed, in which Ford is or was a defendant or codefendant.

For subparts "a" through "d," state the total number of each item (e.g., consumer complaints, field reports, etc.) separately. Multiple incidents involving the same vehicle are to be counted separately. Multiple reports of the same incident are also to be counted separately (i.e., a consumer complaint and a field report involving the same incident in which a crash occurred are to be counted as a crash report, a field report and a consumer complaint).

In addition, for items "c" through "f," provide a summary description of the alleged problem and causal and contributing factors and Ford's assessment of the problem, with

a summary of the significant underlying facts and evidence. For items "e" and "f," identify the parties to the action, as well as the caption, court, docket number, and date on which the complaint or other document initiating the action was filed.

Answer

For purposes of identifying reports of incidents that may be related to the alleged defect and any related documents, Ford has gathered "owner reports" and "field reports" maintained by Ford Customer Service Division (FCSD), and claim and lawsuit information maintained by Ford's Office of the General Counsel (OGC).

Descriptions of the FCSD owner and field report systems and the criteria used to search each of these are provided in Appendix B.

The following categorizations were used in the review of reports located in each of these searches:

Category	Allegation
A1	Alleged separation of striker due to wheel well corrosion
A2	Alleged rear wheel well corrosion/rust at striker

Owner Reports: Records identified in a search of the Master Owner Relations Systems (MORS) database, as described in Appendix B, were reviewed for relevance and sorted in accordance with the categories described above. The number and copies of relevant owner reports identified in this search that allege any structural failure or degradation of the third row seat side anchor mechanism, or any corrosion of the rear wheel well in the area of the side anchor mechanism in a subject vehicle are provided in the MORS III portion of the database contained in Appendix C. The categorization of each report is identified in the "Category" field.

When we were able to identify that responsive (i.e., not ambiguous) duplicate owner reports for an alleged incident were received, each of these duplicate reports was marked accordingly, and the group counted as one report. In other cases, certain vehicles may have experienced more than one incident and have more than one report associated with their VINs. These reports have been counted separately.

<u>Legal Contacts:</u> Ford is providing, in Appendix B, a description of Legal Contacts and the activity that is responsible for this information. To the extent that responsive (i.e., not ambiguous) owner reports indicate that they are Legal Contacts, Ford has gathered the related files from the Office of General Counsel (OGC). No reports of this nature were identified.

<u>Field Reports:</u> Records identified in a search of the Common Quality Indicator System (CQIS) database, as described in Appendix B, were reviewed for relevance and sorted in accordance with the categories described above. The number and copies of relevant field reports identified in this search that allege any structural failure or degradation of the third row seat side anchor mechanism, or any corrosion of the rear wheel well in the area of the side anchor mechanism in a subject vehicle are provided in the CQIS portion of the database contained in Appendix C. The categorization of each report is identified in the "Category" field.

When we were able to identify that responsive duplicate field reports for an alleged incident were received, each of these duplicate reports was marked accordingly, and the group counted as one report. In other cases, certain vehicles may have experienced more than one incident and have more than one report associated with their VINs. These reports have been counted separately. In addition, field reports that are duplicative of owner reports are provided in Appendix C but are not included in the field report count.

<u>VOQ Data:</u> This information request had an attachment that included ten Vehicle Owner Questionnaires (VOQs). Ford made inquiries of its MORS database for customer contacts, and its CQIS database for field reports regarding the vehicles identified on the VOQs.

Ford identified six Owner Reports that are duplicative of VOQs. Ford identified an Owner Report for the vehicle listed in the VOQ with reference number 10440616 but there is no mention of any concern related to the rear wheel well or the third row seat.

<u>Crash/Injury Incident Claims:</u> For purposes of identifying allegations of accidents or injuries that may have resulted from the alleged defect, Ford has reviewed responsive owner and field reports, and lawsuits and claims. No allegations of crash or injury were identified.

<u>Claims, Lawsuits, and Arbitrations:</u> For purposes of identifying incidents that may relate to the alleged defect in a subject vehicle, Ford has gathered claim and lawsuit information maintained by Ford's OGC. Ford's OGC is responsible for handling product liability lawsuits, claims, and consumer breach of warranty lawsuits and arbitrations against the Company.

Lawsuits and claims gathered in this manner were reviewed for relevance and sorted in accordance with the categories described above. No lawsuit or claim responsive to this information request was identified.

Request 3

Separately, for each item (complaint, report, claim, notice, or matter) within the scope of your response to Request No. 2, state the following information:

- a. Ford's file number or other identifier used;
- b. The category of the item, as identified in Request No, 2 (i.e., consumer complaint, field report, etc.);
- c. Vehicle owner or fleet name (and fleet contact person), address, and telephone number;
- d. Vehicle's VIN;
- e. Vehicle's make, model and model year;
- f. Vehicle's mileage at time of incident;
- g. Incident date;
- h. Report or claim date;
- Whether a crash is alleged;
- j. Whether property damage is alleged;
- k. Number of alleged injuries, if any; and
- Number of alleged fatalities, if any.

Provide this information in Microsoft Access 2007, or a compatible format, entitled "REQUEST NUMBER TWO DATA," See Enclosure 1, Data Collection Disc, for a preformatted table which provides further details regarding this submission.

Answer

Ford is providing owner and field reports in the database contained in Appendix C in response to Request 2. To the extent information sought in Request 3 is available for owner and field reports, it is provided in the database.

Request 4

Produce electronic copies of all documents related to each item within the scope of Request No. 2. Organize the documents separately by category (i.e., consumer complaints, field reports, etc.) and describe the method Ford used for organizing the documents.

Answer

Ford is providing owner and field reports in the database contained in Appendix C in response to Request 2.

Request 5

State, by model and model year, a total count for all of the following categories of claims, collectively, that have been paid by Ford to date that relate to, or may relate to, the alleged defect in the subject vehicles including all claims for repairs of the subject components: warranty claims; extended warranty claims; claims for good will services that were provided; field, zone, or similar adjustments and reimbursements; and warranty claims or repairs made in accordance with a procedure specified in a technical service bulletin (TSB) or customer satisfaction campaign. Also, state by model and model year, a total count for all claims that relate to repairs related to any TSBs involving the subject components.

Separately, for each such claim, state the following information:

- a. Ford's claim number;
- b. Vehicle owner or fleet name (and fleet contact person) and telephone number;
- c. VIN;
- d. Repair date;
- e. Vehicle mileage at time of repair;
- f. Repairing dealer's or facility's name, telephone number, city and state or ZIP code;
- g. Labor operation number;
- h. Problem code;
- i. Whether or not the repair is related to a TSB (and if so, identify the TSB number);
- j. Replacement part number(s) and description(s);
- k. Concern stated by customer; and
- L. Comment, if any, by dealer/technician relating to claim and/or repair.

Provide this information in Microsoft Access 2007, or a compatible format, entitled "WARRANTY DATA." See Enclosure 1, Data Collection Disc, for a pre-formatted table which provides further details regarding this submission.

Answer

Records identified in a search of the AWS database, as described in Appendix B, were reviewed for relevance and sorted in accordance with the categories described in the response to Request 2. The number and copies of relevant warranty claims identified in this search that allege any structural failure or degradation of the third row seat side anchor mechanism, or any corrosion of the rear wheel well in the area of the side anchor mechanism in a subject vehicle are provided in the AWS portion of the database contained in Appendix C. The categorization of each report is identified in the "Category" field.

Warranty claims that are duplicative of owner and field reports are provided in Appendix C but are not included in the report count above.

Requests for "goodwill, field, or zone adjustments" received by Ford to date that relate to the alleged defect that were not honored, if any, would be included in the MORS reports identified above in response to Request 2. Such requests that were honored are included in the warranty data provided.

Ford assumes that providing the warranty claims in the electronic database format meets the requirements of this request because the agency can review or order the claims as desired.

Request 6

Describe in detail the search criteria used by Ford to identify the claims identified in response to Request 5, including the labor operations, problem codes, part numbers and any other pertinent parameters used. Provide a list of all labor operations, labor operation descriptions, problem codes, and problem code descriptions applicable to the alleged defect in the subject vehicles. State, by make and model year, the terms of the new vehicle warranty coverage offered by Ford on the subject vehicles (i.e., the number of months and mileage for which coverage is provided and the vehicle systems that are covered). Describe any extended warranty coverage option(s) that Ford offered for the subject vehicles and state by option, model, and model year, the number of vehicles that are covered under each such extended warranty.

Answer

Detailed descriptions of the search criteria, including all pertinent parameters, used to identify the claims provided in response to Request 5 are described in Appendix B.

For 2004 through 2007 model year Freestar and Monterey vehicles, the New Vehicle Limited Warranty, Bumper-to-Bumper Coverage begins at the warranty start date and lasts for three years or 36,000 miles, whichever occurs first. Optional Extended Service Plans (ESPs) are available to cover various vehicle systems, time in service, and mileage increments. No optional ESPs are available to cover corrosion or the subject components. In addition to Bumper-to-Bumper warranty coverage Ford provides an additional Corrosion Coverage that begins at the warranty start date and lasts for five years with unlimited mileage. Coverage under the corrosion warranty applies if corrosion causes perforation in body sheet metal panels as a result of a factory-related defect. An excerpt from Ford's Warranty Guide provided with new vehicles is provided below.

Corrosion Coverage

Under your New Vehicle Limited Warranty, Corrosion Coverage begins at the warranty start date and covers body sheet metal panels against corrosion due to a defect in factory-supplied materials or workmanship. Corrosion coverage (which lasts for 5 years, regardless of miles driven) only applies if the corrosion causes perforation (holes) in body sheet metal panels. If corrosion does not cause perforation (holes), and is not the result of usage and/or environmental conditions, paint damage is covered under the terms of the Bumper to Bumper Warranty (3 years or 36,000 miles, whichever occurs first).

For damage caused by airborne material (environmental fallout) - where there is no factory-related defect involved and therefore no warranty - our policy is to cover paint damage due to airborne material for 12 months or 12,000 miles, whichever occurs first.

Request 7

Produce copies of all service, warranty, and other documents that relate to, or may relate to, the alleged defect in the subject vehicles, that Ford has issued to any dealers, regional or zone offices, field offices, fleet purchasers, or other entities. This includes, but is not limited to, bulletins, advisories, informational documents, training documents, or other documents or communications, with the exception of standard shop manuals. Also include the latest draft copy of any communication that Ford is planning to issue within the next 120 days.

Summarize and provide a brief chronology of all actions taken by Ford leading to each of the technical service bulletins that have been issued relating to the alleged defect in the subject vehicles. Provide copies of all documents, organized in chronological order, related to the development of these bulletins.

<u>Answer</u>

For purposes of identifying communications to dealers, zone offices, or field offices pertaining, at least in part, to any structural failure or degradation of the third row seat side anchor mechanism, or any corrosion of the rear wheel well in the area of the side anchor mechanism, Ford has reviewed the following FCSD databases and files: The On-Line Automotive Service Information System (OASIS) containing Technical Service Bulletins (TSBs) and Special Service Messages (SSMs); Internal Service Messages (ISMs) contained in CQIS; and Field Review Committee (FRC) files. We assume this request does not seek information related to electronic communications between Ford and its dealers regarding the order, delivery, or payment for replacement parts, so we have not included these kinds of information in our answer.

A description of Ford's OASIS messages, ISMs, and the Field Review Committee files and the search criteria used are provided in Appendix B.

<u>OASIS Messages:</u> Ford identified no SSMs and no TSBs that may relate to the agency's request.

Internal Service Messages: Ford identified no ISMs that may relate to the agency's request.

<u>Field Review Committee:</u> Ford identified no field service action communications that may relate to the agency's request.

Request 8

Describe all assessments, analyses, tests, test results, studies, surveys, simulations, investigations, inquiries and/or evaluations (collectively, "actions") that relate to, or may relate to, the alleged defect in the subject vehicles that have been conducted, are being conducted, are planned, or are being planned by, or for, Ford. For each such action, provide the following information:

- a. Action title or identifier;
- b. The actual or planned start date;
- c. The actual or expected end date;
- d. Brief summary of the subject and objective of the action;
- e. Engineering group(s)/supplier(s) responsible for designing and for conducting the action; and
- f. A brief summary of the findings and/or conclusions resulting from the action.

For each action identified, provide copies of all documents related to the action, regardless of whether the documents are in interim, draft, or final form. Organize the documents chronologically by action. If an action is not complete, provide a detailed schedule for the work to be done, tentative findings and/or conclusions, and provide an update within 10 days of completion of the action.

Answer

Ford is construing this request broadly and is providing not only studies, surveys, and investigations related to the alleged defect, but also notes, correspondence, and other communications that were located pursuant to a diligent search for the requested information. Ford is providing the responsive non-confidential Ford documentation in Appendix D.

To the extent that the information requested is available, it is included in the documents provided. If the agency should have questions concerning any of the documents, please advise.

Ford is submitting additional responsive documentation in Appendix E with a request for confidentiality under separate cover to the agency's Office of the Chief Counsel pursuant to 49 CFR Part 512. Redacted copies of the confidential documents will be provided under separate cover, on separate media, to the agency's Office of Chief Counsel as Appendix E – Redacted.

In the interest of ensuring a timely and meaningful submission, Ford is not producing materials or items containing little or no substantive information. Examples of the types of materials not being produced are meeting notices, raw data lists (such as part numbers or VINs) without any analytical content, duplicate copies, non-responsive elements of responsive materials, and draft electronic files for which later versions of the materials are being submitted. Through this method, Ford is seeking to provide the agency with substantive responsive

materials in our possession in the timing set forth for our response. We believe our response meets this goal. If the agency would like additional materials, please advise.

Request 9

Describe all modifications or changes made by, or on behalf of Ford (e.g., by a supplier) in the design, material composition, manufacture, quality control, supply, or installation of the subject component, from the start of production to the end of production of the subject vehicles, which relate to, or may relate to, the alleged defect in the subject vehicles. For each such modification or change, provide the following information:

- a. The date or approximate date on which the modification or change was incorporated into vehicle production;
- b. A detailed description of the modification or change;
- c. The reason(s) for the modification or change;
- d. The part numbers (service and engineering) of the original component;
- e. The part number (service and engineering) of the modified component;
- f. Whether the original unmodified component was withdrawn from production and/or sale, and if so, when;
- g. When the modified component was made available as a service component; and
- h. Whether the modified component can be interchanged with earlier production components.

Also, provide the above information for any modification or change that Ford is aware of which may be incorporated into vehicle production within the next 120 days.

Answer

A review conducted by Ford identified no changes or modifications during production of these vehicles that appear to relate to this subject.

Request 10

Produce two of each of the following:

- a. Exemplar samples of each design version of the subject components; and
- b. Field-returned samples of the subject components exhibiting the alleged defect condition.

Answer

During a February 15, 2012 telephone conversation with Michael Lee of the agency, Ford personnel explained that the third row seat striker mounting components are not available separately from the entire wheel well inner sheet metal component. As a result, this request would require a very large vehicle body component to be provided to the agency. Mr. Lee agreed that Ford, instead, should provide photographs of the components rather than physical parts at this time. In addition, Ford has only one set of field return parts; Mr. Lee has granted Ford's request to retain these parts in order to continue Ford's investigation into this subject. Should additional field return parts become available, Ford will provide a sample to the agency in accordance with this request.

Request 11

State, by model year, all part numbers of the subject components that have been installed on subject vehicles as assembled by Ford. State, by model year, the service part numbers of the subject components Ford designates for installation on the subject vehicles. State, by month, year and part number, the total number of subject components sold as service parts by Ford. Identify any kits that Ford has released or developed for use in service repairs to the subject components or assembly.

For each component part number, provide the supplier's name, address, and appropriate point of contact (name, title, and telephone number). Also, identify by make, model and model year, any other vehicles of which Ford is aware that contain the identical component, whether installed in production or in service, and state the applicable dates of production or service usage.

Answer

As the agency is aware, Ford service parts are sold in the U.S. to authorized Ford and Lincoln dealers. Ford has no means to determine how many of the parts were actually installed on vehicles, the vehicle model or model year on which a particular part was installed, the reason for any given installation, or the purchaser's intended use of the components sold.

Ford is providing the total number of Ford service replacement wheel well inner panels by part number (both service and engineering) and year of sale, where available, in Appendix F. Information pertaining to production and service usage for each part number, and supplier point of contact information, is included in Appendix F.

Request 12

Furnish Ford's assessment of the alleged defect in the subject vehicles, including:

- a. The causal or contributory factor(s);
- b. The failure mechanism(s);
- c. The failure mode(s);
- d. The risk to motor vehicle safety that it poses; and
- e. What warnings, if any, the operator and the other persons both inside and outside the vehicle would have that the alleged defect as occurring or subject component was malfunctioning; and
- f. The VOQ reports referenced in this inquiry.

<u>Answer</u>

Ford first introduced a third row "fold flat" seat in the 2004 model year Ford Freestar/Mercury Monterey vehicles. The rear anchor of the third row seat is permanently attached to the vehicle at mounting locations at the floor structure. The permanent mounting mechanism allows for pivot of the seat assembly into either its stowed or occupant positions, and provides for attachment of the occupant restraints. When the seat is in the forward facing occupant position, the lower front portion of the seat is attached to strikers located at the rear wheel wells. This particular design was utilized for the 2004 through 2007 Freestar/Monterey vehicles.

The strikers used to attach the left and right sides of the lower front portion of the seat are fastened to the vehicle structure by two nuts on threaded studs welded to a base plate, and the base plate is welded to a larger reinforcement plate. The reinforcement plate is then spot welded to the exterior (wheel side) of the inner wheel well sheet metal component that joins the vehicle body structure, and the weld studs extend into the passenger compartment through an opening in the inner wheel well panel. When the vehicles were produced, this was part of the assembled vehicle body structure that passed through an electrocoat ("e-coat") process prior to painting. Later in the vehicle assembly process, a noise reducing coating was also applied to the exterior of the inner wheel well.

In August 2011, a Monterey vehicle owner informed Ford that the third row seat striker was found to be loose when the seat was latched into position, and indicated observing corrosion in the area of the striker attachment. Ford subsequently inspected this vehicle to better understand the condition, and observed the following: Even though the components passed through an e-coat application process after welding, and then received a noise reducing coating that also acts as a sealer, moisture was able to enter the gaps between the two mating parts depending on the e-coat and sealer coverage. Moisture in this area, over time, led to corrosion in the striker area. Inspection of the permanent rear seat mounting, as well as the restraint attachments on the complaint vehicle, found no corrosion related concerns.

A comprehensive search of Ford's databases identified a total of 12 reports that allege corrosion in the area of the third row seat striker. In these reports, owners identified the concern because of difficulty latching the seat to the side mounted strikers or through unusual noise or looseness in a latched seat. For example in the Owner Report identified as case number 501623631 the owner reported:

"... Back seat will no longer latch to the bracket, the seat will no longer click in place."

In the Owner Report identified as case number 404922271 the owner reported:

"... folded seat back up and it was a little loose..."

These overt characteristics provided clear indication to the vehicle owners that diagnosis and repair was required.

In all situations the third row seat remains attached to the vehicle by the permanent mounting and the occupant restraints are unaffected.

Each of the 12 reports identified by Ford are associated with vehicles that are either currently registered in, or have been operated in, "salt belt" states. When adjusted for the population of vehicles in "salt belt" states, the rate of reports pertaining to this subject is a low 0.15 R/1000.

In the event that the reinforcement plate/striker is compromised, a repair method exists and parts are available through Ford's normal service part process. The repair includes replacement of the inner wheel well including the reinforcement and striker. These types of repairs are typically performed by a "body" or collision repair facility. An illustration showing the components and relative position in the vehicle is provided for reference in Appendix G.

Based upon a review of the information and data included in this response, Ford does not believe that the "alleged defect" presents an unreasonable risk of accident or injury. Given the age of these vehicles and time in service, Ford does not believe the 16 total incidents of which

we are aware are indicative of a defect trend. Further, in each instance, owners have become aware through some sort of indication, such as difficulty in latching the seat or observation of looseness when the seat was latched. In addition, none of the reports involve any seat movement in an accident.

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2004 through 2007 Model Year Freestar/Monterrey Vehicles Corrosion Affecting the Third Row Seat Latch Striker

OWNER REPORTS

As the agency is aware, within FCSD's North American Customer Service Operations, there is a Customer Relationship Center (CRC) that is responsible for facilitating communication between customers, dealerships and Ford Motor Company. Among other things, the CRC handles telephonic, electronic, and written inquiries, suggestions, informational requests, and concerns ("contacts") from Ford and Lincoln-Mercury vehicle owners about their vehicles or sales and service experience. The contacts are handled by CRC customer service representatives who enter a summary of the customer contact into a database known as CuDL (Customer Data Link). Certain contacts, such as letters from customers, are entered into the CuDL database. Those that were entered into the earlier MORS II system were also microfilmed. More recently, the records in MORS III/CuDL are imaged and stored electronically.

The CRC assigns to each vehicle-related contact report a "symptom code" or category that generally characterizes the nature of the customer contact or vehicle concern, as described by the owner. The CRC does not undertake to confirm the accuracy of the description provided by the owner; they simply record what is reported. Therefore, given the complexity of the modern motor vehicle, it is Ford's experience that a significant percentage of owner contacts do not contain sufficient information to make a technical assessment of the condition of the vehicle or the cause of the event reported. Accordingly, although MORS contact reports may be useful in identifying potential problems and trends, the records are not the empirical equivalent of confirmed incidents and/or dealership's diagnosis. In the interest of responding promptly to this inquiry, Ford has not undertaken to gather the electronic images related to these contacts because of the largely duplicative nature of the information contained in the images, as well as the time and the burden associated with locating and producing those documents. The pertinent information related to those contacts generally would be included in the contact reports obtained from the CuDL system. To the extent that those documents exist, they are characterized in the comments of MORS III contact reports. Upon request, Ford will attempt to locate any specific items that are of interest to the agency.

In responding to this information request, Ford electronically searched CuDL using the following criteria:

Model Year: 2004 - 2007

<u>Subject Vehicle</u>: Ford Freestar/Mercury Monterey vehicles manufactured for sale or lease in the United States, District of Columbia, Puerto Rico, Northern Mariana Islands, Guam, American Samoa and the Virgin Islands.

Date Parameters: January 1, 2003 through January 5, 2012 (the date of this inquiry)

Types of Contacts: All, including suspended data, canceled contacts and inquiries

MORS III Symptom Code(s):

	Symptom	
Symptom Category	Code	Symptom Description
Corrosion	111300	PANELS/UNIBODY RUST/CORROSION
Corrosion	111346	PANELS/UNIBODY RUST/CORROSION FENDER
Seating	101258	SEATING APPEARANCE/FIT CUSHION-BOTTOM
Seating	1014XX	SEATING MANUAL FUNCTION
Seating	1015XX	SEATING NOISE
Seating	1012XX	SEATING APPEARANCE/FIT

MORS III Reason Code(s):

Reason		
Code		Description
07	Legal contact	

LEGAL CONTACTS

Beginning in early 2008, most consumer complaints and all legal claim processing has been centralized in OGC within the Consumer Litigation team. A transition has occurred such that all legal contacts (including those formerly handled by "Litigation Prevention") are coordinated through this team.

Prior to the transition, there was a Consumer Affairs Department within FCSD that managed customer concerns, which could not be resolved by the Customer Relationship Center (CRC). Among other things, the Consumer Affairs Department had a section, known as "Litigation Prevention," that handled a variety of informal (i.e., non-litigation) claims, such as property damage claims or attorney demand claims.

The Litigation Prevention section had been centralized in the Consumer Affairs Department since 1995, in Dearborn, Michigan. Prior to that time, Litigation Prevention personnel operated on a regional basis. For matters that the Litigation Prevention section handled, there were typically paper files that reflected the handling, investigation and resolution of property damage claims.

The claims, known as "Legal Contacts" are entered into the CuDL database that the CRC uses to enter other customer communications. When a customer contact is designated as a Legal Contact, it is so indicated near the top of the contact report.

FIELD REPORTS

Within FCSD, there is a Vehicle Service & Programs Office that has overall responsibility for vehicle service and technical support activities, including the administration of field actions. That Office is the primary source within Ford of vehicle concern information originating from Ford and Lincoln-Mercury dealerships, field personnel, and other sources. The information is maintained in a database known as the Common Quality Indicator System (CQIS). The CQIS database includes reports compiled from more than 40 Company sources (e.g., Companyowned vehicle surveys, service technicians, field service and quality engineers, and technical hot line reports, etc.) providing what is intended to be a comprehensive concern identification resource. As with MORS contact reports, CQIS reports are assigned a "symptom code" or category that generally reflects the nature of the concern.

In responding to this information request, Ford electronically searched CQIS using the following criteria:

In July 2011, FCSD launched a new coding system for the CQIS database. All reports maintained in the CQIS database prior to the coding change have been re-coded using the new CQIS coding system.

Model Year: 2004 - 2007

<u>Subject Vehicle</u>: Ford Freestar/Mercury Monterey vehicles manufactured for sale or lease in the United States, District of Columbia, Puerto Rico, Northern Mariana Islands, Guam, American Samoa and the Virgin Islands.

<u>Date Parameters</u>: January 1, 2003 through January 5, 2012 (the date of this inquiry)

Symptom Code(s):

	Symptom	
Symptom Category	Code	Symptom Description
Comfort and		
Entertainment	1104XX	Comfort & Entertainment, Seats, 3rd/4th/5th Row, All
Comfort and		
Entertainment	110ZXX	Comfort & Entertainment, Seats, Not Listed, Unknown
Fit/Finish/Body	330XXX	Fit/Finish/Body, Paint/Finish, All
Fit/Finish/Body	331AXX	Fit/Finish/Body, Body Panels, Quarter Panel, All
Fit/Finish/Body	3312XX	Fit/Finish/Body, Body Panels, Fender, Unknown

OASIS MESSAGES

FCSD is responsible for communicating a variety of vehicle and service information, such as warranty information for up to the past 360 days, Extended Service Plan part coverage information, and technical repair information, to North American Ford and Lincoln-Mercury dealers. This information is communicated primarily through OASIS, which serves as an electronic link between Ford Motor Company and the dealers. OASIS covers all North American Ford and Lincoln-Mercury cars and light trucks, and medium and heavy-duty Ford trucks, for the ten most current model years. Technical diagnostic and repair information on OASIS is contained in Special Service Messages (SSMs) and Technical Service Bulletin (TSBs) titles and brief summaries. It should be noted that dealers cannot access brief summaries.

SSMs and TSB titles are coded in OASIS by model year and vehicle line, and may be coded to other specific vehicle attributes (body style, engine code, or vehicle identification number) and one or more OASIS Service Code(s). The dealers with access to OASIS usually search for information on the database by entering a VIN and the applicable Service Codes. SSMs and TSB titles that become inactive or superseded continue to be accessible by Ford employees, but no longer are accessible by the dealers. Dealers also are able to determine the recalls applicable to a particular vehicle by searching a particular VIN in OASIS. Recall information available on OASIS cannot be searched by Service Codes.

In July 2011, FCSD launched a new coding system for OASIS. All active SSMs and TSB titles have been re-coded using the new OASIS coding system. All inactive and superceded SSMs and TSB titles are still maintained under the old coding system.

In responding to this information request, Ford searched Global OASIS using both the new and old OASIS service codes for active, inactive, and superceded TSB titles and SSMs using the following search criteria:

Model Year: 2004 - 2007

<u>Subject Vehicle</u>: Ford Freestar/Mercury Monterey vehicles manufactured for sale or lease in the United States, District of Columbia, Puerto Rico, Northern Mariana Islands, Guam, American Samoa and the Virgin Islands.

<u>Date Parameters</u>: January 1, 2003 through January 5, 2012 (the date of this inquiry)

OASIS Service Code(s):

	Symptom	
Symptom Category	Code	Symptom Description
Comfort and		
Entertainment	1104XX	Comfort & Entertainment, Seats, 3rd/4th/5th Row, All
Comfort and		
Entertainment	110ZXX	Comfort & Entertainment, Seats, Not Listed, Unknown
Fit/Finish/Body	330XXX	Fit/Finish/Body, Paint/Finish, All
Fit/Finish/Body	331AXX	Fit/Finish/Body, Body Panels, Quarter Panel, All
Fit/Finish/Body	3312XX	Fit/Finish/Body, Body Panels, Fender, Unknown

Code	Description	Description	Description
101XXX	Seating	Manual	Bed seat
		Function	
110Z00	Seating	Not listed	Other/Not listed
110333	Sealing	Appearnce	Body panel
1104XX	Sealing	Dust leaks	All
111XXX	Panels/Unibody	All	All

OASIS 2 and Global OASIS are not capable of performing electronic word searches, so the search results are reviewed manually to determine their applicability to the alleged defect in the subject vehicles.

The OASIS database also contains Broadcast Messages. Typically, these messages are directed to all dealerships and either are notifications of new SSMs/TSBs, or announcements with non-technical information (for example, "the Dealer Hotline will be closed today"). Broadcast Messages cannot be searched by OASIS service codes, and can be retrieved only while active (approximately 2 to 4 days). Ford has not undertaken to search for Broadcast Messages because Ford expects that any responsive information obtained with such a search generally would be non-substantive in nature or duplicative of the information obtained with the TSB title and SSM search described above.

INTERNAL SERVICE MESSAGES

FCSD, as part of its technical support activities, maintains fleet and technical telephone "hotlines." During the early stages of Ford's efforts to identify and resolve potential vehicle concerns, hotline personnel may draft Internal Service Messages (ISMs) on CQIS for their internal use. The ISMs are assigned a CQIS "symptom code" or category that generally reflects the nature of the concern. An ISM can form the basis for an oral response over the technical hotline to an inquiry from an individual dealer or fleet technician. The ISMs, however, are not made available electronically to fleets and dealers. Therefore, although ISMs are not "issued" to dealers like OASIS messages, Ford is construing this request broadly to include ISMs that may be related to the alleged defect in the subject vehicles.

In responding to this information request, Ford searched CQIS for active ISMs using the following search criteria:

Model Year: 2004 - 2007

<u>Subject Vehicle</u>: Ford Freestar/Mercury Monterey vehicles manufactured for sale or lease in the United States, District of Columbia, Puerto Rico, Northern Mariana Islands, Guam, American Samoa and the Virgin Islands.

Date Parameters: January 1, 2003 through January 5, 2012 (the date of this inquiry)

CQIS Symptom Code(s):

	Symptom	
Symptom Category	Code	Symptom Description
Comfort and		
Entertainment	1104XX	Comfort & Entertainment, Seats, 3rd/4th/5th Row, All
Comfort and		
Entertainment	110ZXX	Comfort & Entertainment, Seats, Not Listed, Unknown
Fit/Finish/Body	330XXX	Fit/Finish/Body, Paint/Finish, All
Fit/Finish/Body	331AXX	Fit/Finish/Body, Body Panels, Quarter Panel, All
Fit/Finish/Body	3312XX	Fit/Finish/Body, Body Panels, Fender, Unknown

The CQIS database in which the ISMs reside is not capable of performing word searches, so the search results were reviewed manually to determine their applicability to the alleged defect in the subject vehicles.

FIELD REVIEW COMMITTEE

Ford's Field Review Committee reviews all potential field service actions, including safety recalls and customer satisfaction programs, and recommends appropriate actions to corporate management. A Vehicle Service & Programs representative serves as Secretary to the Field Review Committee. Following approval of a field service action, the Vehicle Service & Programs Office prepares and launches the action. A representative copy of the communication to Ford's dealers, fleets, and Regional offices announcing the field service action is maintained in the Field Review Committee files.

WARRANTY

Ford's Analytical Warranty System (AWS) contains warranty claims and vehicle information for model years 1991 and forward for North America, and model years 1992 and forward for Europe.

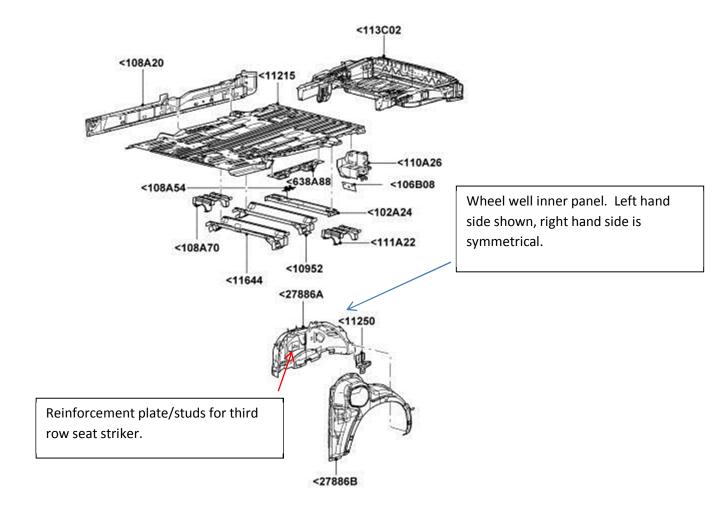
Ford performed a search of AWS for potentially responsive reports using the following search criteria:

Model Year: 2004 – 2007

<u>Subject Vehicle</u>: Ford Freestar/Mercury Monterey vehicles manufactured for sale or lease in the United States, District of Columbia, Puerto Rico, Northern Mariana Islands, Guam, American Samoa and the Virgin Islands.

Customer Concern Code(s):

CCC	Description
B19,V31	Other body panel troubles
F11,V33	Body rust/corrosion (not perforation)
F25,V01	Rust perforation
F26,V01	Rust perforation - Canada
R50,V01	Underbody rust/corrosion



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