



U.S. Department  
of Transportation  
**National Highway  
Traffic Safety  
Administration**

APR - 2 2018

1200 New Jersey Avenue SE  
Washington, DC 20590

**Via Certified Mail and Email (delivery receipt requested)**

Ms. Tracey Zhen  
President  
Zipcar, Inc.  
35 Thomson Place  
Boston, MA 02210

NEF-107aa  
AQ18-001  
17V-408

**Re: Audit of Safety Recall Campaign Completion for Rental Vehicles**

Dear Ms. Zhen:

NHTSA has information suggesting that a vehicle owned by Zipcar, Inc. (Zipcar) was under an outstanding safety recall issued by Ford Motor Company (Ford) at the time of rental. On July 25, 2017, an individual located in Seattle, Washington rented a 2017 Ford Transit vehicle from the local Zipcar service. Specifically, the information suggests repairs required under safety recall number 17V-408 were not made prior to the rental. This recall concerns certain model year 2015 through 2017 Ford Transit vehicles equipped with a flexible driveshaft coupling that may prematurely fail. A failed driveshaft coupling may prevent the vehicle from moving under its own power, increasing the risk of a crash.

A rental company's sale, lease, or rental of a motor vehicle with a safety recall outstanding is a serious matter and a violation of Federal law to which significant civil penalties could apply. See 49 U.S.C. §§ 30120(i) and 30165. This office has opened an audit query (AQ) investigation and is sending this information request in order to determine whether Zipcar (defined below) has complied with the prohibition of renting unremediated vehicles subject to safety recalls.

A redacted copy of the complaint we received, as well as Ford Motor Company's (Ford) safety recall notification to NHTSA is enclosed with this letter.

## DEFINITIONS

Unless otherwise stated in the text, the following definitions and instructions apply to these information requests:

1. The term “Zipcar” means Zipcar, Inc, including all of its divisions, parent company, subsidiaries and affiliated enterprises (including but not limited to Avis Budget Group, Inc.) and its employees, and all agents, contractors, consultants, attorneys and law firms and other persons engaged directly or indirectly (e.g., employee of a consultant) by or under the control of Zipcar (including all business units and persons previously referred to).
2. The term “communications” is used in the broadest sense of the word and shall mean the exchange, transfer, or relay of any ideas, messages, or information by speech, writing, or other means, whether electronic, paper, or in person.
3. The term “you” or “your” refers to Zipcar.
4. The term “person” includes natural persons, proprietorships, partnerships, firms, corporations, federal, state, and local governments, all departments and agencies thereof, and any other governmental agencies, political subdivisions, groups, associations, or organizations, whether located in the United States or abroad.
5. The term “relate to” or “relating to” means constituting, comprising, containing, setting forth, showing, disclosing, describing, explaining, summarizing, concerning, or referring to, directly or indirectly.
6. The term “explain,” “describe in detail,” or “state in detail” mean the following:
  - a. Describe fully by reference to underlying facts rather than ultimate facts or conclusions of law or fact.
  - b. Particularize as to:
    - i. The identity of each person involved in each such event, including but not limited to persons employed by Zipcar and those persons purporting to act for Zipcar;
    - ii. The specific acts of each person participating in each such event;
    - iii. The date and time of each such event;
    - iv. The address and location of each such event; and
    - v. The identity of each person present during each such event.
7. The term “Document(s)” is used in the broadest sense of the word and shall mean all original written, printed, typed, recorded, or graphic matter whatsoever, however produced or reproduced, of every kind, nature, and description, and all non-identical copies of both sides thereof, including, but not limited to, papers, letters, memoranda, correspondence, communications, electronic mail (e-mail) messages (existing in hard copy and/or in electronic storage), and faxes. For

purposes of this request, any document that contains any note, comment, addition, deletion, insertion, annotation, or otherwise comprises a non-identical copy of another document shall be treated as a separate document subject to production.

8. "Safety recall 17V-408" means the safety recall Ford is conducting through its dealerships to remedy certain model year 2015 through 2017 Ford Transit vehicles equipped with a flexible driveshaft coupling that may prematurely fail. A failed driveshaft coupling may prevent the vehicle from moving under its own power, increasing the risk of a crash.
9. Other Terms: To the extent that they are used in this information request, the terms "claim," "consumer complaint," "dealer field report," "field report," "fire," "fleet," "good will," "make," "model," "model year," "notice," "property damage," "property damage claim," "rollover," "type," "warranty," "warranty adjustment," and "warranty claim," whether used in singular or plural form, have the same meaning as found in 49 CFR 579.4.
10. The singular includes the plural; the plural includes the singular. The masculine gender includes the feminine and neutral genders; and the neutral gender includes the masculine and feminine genders. "And" as well as "or" shall be construed either disjunctively or conjunctively, to bring within the scope of this information request all responses that might otherwise be construed to be outside its scope. "Each" shall be construed to include "every" and "every" shall be construed to include "each." "Any" shall be construed to include "all" and "all" shall be construed to include "any." The use of a verb in any tense shall be construed as the use of the verb is a past or present tense, whenever necessary to bring within the scope of the document request all responses which might otherwise be construed to be outside its scope.

In order to evaluate whether or not Zipcar has complied with the Safety Act's provision that a rental company not rent a recalled vehicle unless the recall remedy has been performed, certain information is required. Pursuant to 49 U.S.C § 30166, please provide numbered responses to the following information requests. When documents are produced, the documents shall be produced in an identified, organized manner that corresponds with the organization of this information request letter (including all individual requests and subparts). When documents are produced and the documents would not, standing alone, be self-explanatory, the production of documents shall be supplemented and accompanied by explanation.

## INFORMATION REQUESTS

Please repeat the applicable request verbatim above each response. After your response to each request, identify the source of the information and indicate the last date the information was gathered.

1. Identify any and all notices or communications Zipcar received from Ford (including, but not limited to, notifications, service bulletins, stop sales instructions, reports, and letters, whether paper or electronic (such as through any electronic fleet network)) concerning safety recall 17V-408. For each notice or communication you identify, state: (a) its date; (b) the date Zipcar received it; (c) the type of the notice or communication (e.g., recall notice, service bulletin, etc.); (d) the method of transmission (e.g., mailed notice, email, etc.) and (e) the number and/or the VINs of affected units Ford identified as within Zipcar's possession, if any.

Produce a copy of each notice you received and identified in response to this question, including any attachments or enclosures whether paper or electronic.

2. Produce copies of all communications, including any attachments or enclosures whether paper or electronic, other than those already identified and produced in your response to Information Requests No. 1, between Zipcar and Ford concerning safety recall 17V-408. For each such communication, state: (a) its date; (b) the date Zipcar received it; (c) the type of the notice or communication (e.g., recall notice, service bulletin, etc.); and (d) the method of transmission (e.g., mailed notice, email, etc.).
3. Identify, by stating the model, model year, and vehicle identification number ("VIN"), of each and every rental vehicle subject to safety recall 17V-408 for which Zipcar had possession at any time from June 26, 2017 through present.

For each vehicle you identify, state the following:

- a. The date on which Zipcar took possession of the vehicle;
- b. The date on which Zipcar was notified by Ford that safety recall 17V-408 affected the vehicle;
- c. The current status of the vehicle (e.g., sold, available for rental, not available for rental, etc.);
- d. The date the current status you identified in (c) became effective;
- e. The date(s) on which the vehicle was rented any day after June 26, 2017;
- f. The total number of times the vehicle was rented after June 26, 2017;
- g. Whether the interim recall remedy was performed on the vehicle. "Interim recall remedy" refers to the inspection and repair procedures Ford

instructed its dealerships to perform under the recall until the permanent recall remedy becomes available;

- h. The date on which the interim recall remedy was performed on the vehicle (if applicable);
- i. Whether the recall remedy was performed on the vehicle. "Recall remedy" refers to the inspection and repair procedures Ford instructed its dealerships to perform under the recall;
- j. The date on which the recall remedy was performed on the vehicle (if applicable);
- k. The name and address of the entity that performed the recall remedy on the vehicle.

In an electronic format, provide your responses in a table in Microsoft Access or Excel entitled "Vehicles 17V-408."

- 4. Produce copies of all documents that evidence, substantiate, or are otherwise related to your responses to each item within the scope of Request No. 3. Organize the documents separately by VIN.
- 5. Provide a detailed description as to how Zipcar receives and manages recall communications from vehicle manufacturers. Include any policies or procedures, related to the management of recall communications, issued to Zipcar staff along with the date of their issuance.
- 6. Provide a detailed description as to how current policies and procedures for managing safety recall communications have been changed or updated since 2013. Include the applicable dates for any changes made to these policies and procedures and the reason for any such changes.
- 7. Provide any additional information Zipcar considers important for the agency to consider in reviewing and evaluating Zipcar's responses to any of the requests above. As one example, identify any anomalies in the data or documents and explain the reason(s) for those anomalies.

This letter is being sent to Zipcar pursuant to 49 U.S.C. § 30166(b) and (e), which authorizes NHTSA to conduct any investigation that may be necessary to enforce Chapter 301 of Title 49 and to request reports. It constitutes a new request for information. Zipcar's failure to respond promptly and fully to this letter could subject Zipcar to civil penalties pursuant to 49 U.S.C. § 30165 or lead to an action for injunctive relief pursuant to 49 U.S.C. § 30163. (Other remedies and sanctions are available as well.) Section 5(a) of the TREAD Act, codified at 49 U.S.C. § 30165(a), provides for civil penalties of up to \$21,000 per day, with a maximum of \$105,000,000 for a related series of daily violations, for failing or refusing to perform an act required under 49 U.S.C. § 30166. This includes failing to respond to ODI information requests.

If Zipcar cannot respond to any specific request or subpart(s) thereof, please state the reason why it is unable to do so. If on the basis of attorney client, attorney work product, or other privilege, Zipcar does not submit one or more requested documents or items of information in response to this information request, Zipcar must provide a privilege log identifying each document or item withheld, and stating the date, subject or title, name and position of the person(s) from, and the person(s) to whom it was sent, and the name and position of any other recipient (to include all carbon copies or blind carbon copies), the nature of that information or material, and the basis for the claim of privilege and why that privilege applies.

All documents should be bates stamped unless they are to be provided in Microsoft Access or Microsoft Excel format. This includes documentation that Zipcar links electronically to any of the spreadsheets it produces in response to these requests. Unless otherwise stated, please provide documents in chronological order.

Zipcar's response to this letter, in duplicate, together with a copy of any confidentiality request, must be submitted to this office **no later than three weeks from the date of this letter**. If Zipcar finds that it is unable to provide all of the information requested within the time allotted, Zipcar must request an extension from Alexander Ansley, of my staff, at (202) 493-0481 no later than five business days before the response due date. If Zipcar is unable to provide all of the information requested by the original deadline, it must submit a partial response by the original deadline with whatever information Zipcar then has available, even if an extension has been granted.

If Zipcar claims that any of the information or documents provided in response to this information request constitutes confidential commercial material within the meaning of 5 U.S.C. § 552(b)(4), or is protected from disclosure pursuant to 18 U.S.C. §1905, Zipcar must submit supporting information together with the materials that are the subject of the confidentiality request, in accordance with 49 CFR Part 512, as amended, to the Office of Chief Counsel (NCC-111), National Highway Traffic Safety Administration, Room W41-326, 1200 New Jersey Ave., SE, Washington, D.C. 20590. Zipcar is required to submit two copies of the documents containing allegedly confidential information (except only one copy of blueprints) and one copy of the documents from which information is claimed to be confidential has been deleted. Please remember that the words "CONFIDENTIAL BUSINESS INFORMATION" must appear at the top of each page containing information claimed to be confidential, and the information must be clearly identified in accordance with 49 CFR § 512.6. If you submit a request for confidentiality for all or part of your response to this IR that is in an electronic format (e.g., CD-ROM), your request and associated submission must conform to the requires in NHTSA's Confidential Business Information Rule regarding submissions in electronic formats (49 CFR 512.6(c)).

Your point of contact for this investigation is Alexander Ansley. Mr. Ansley can be reached on (202) 493-0481 or at [alexander.ansley@dot.gov](mailto:alexander.ansley@dot.gov).

Sincerely,



Stephen A. Ridella, Director  
Office of Defects Investigation  
Enforcement

Enclosures  
CC Avis Budget Group, Inc.

**Safety Issue Type: Complaints**

**October 02 2017** NHTSA ID Number: 11031430

**Components: UNKNOWN OR OTHER**

NHTSA ID Number [REDACTED]

Incident Date July 25 2017

Consumer Location SEATTLE, WA

Vehicle Identification Number 1FTNE1YM0FK\*\*\*\*\*

**Complaint Summary**

CRASH No I AM A NHTSA REGION 10 OFFICE EMPLOYEE. I RENTED A 2015 FORD  
FIRE No TRANSIT VAN, LICENSE PLATE #[XXX], FROM ZIPCAR ON 7/25/17 FOR THE  
INJURIES 0 ENTIRE DAY FOR A WORK RELATED EVENT. A FELLOW NHTSA STAFF  
DEATHS 0 PERSON RAN A VIN CHECK ON THE VEHICLE BY PHONE AND DETERMINED  
THERE WAS AN OPEN RECALL ON THE VAN. UNFORTUNATELY, I DID NOT  
WRITE DOWN THE VIN# OF THE SPECIFIC VEHICLE BUT WAS PROVIDED  
ASSISTANCE FROM NHTSA STAFF TO IDENTIFY THE # AS [XXX] (SEE THE  
ATTACHED DOCUMENT PROVIDE TO ME BY NHTSA STAFF PERSON, [XXX]).  
I THEN CONTACTED ZIPCAR AND PUT IN A REQUEST FOR ASSISTANCE,  
SPENDING TIME ON THE PHONE WITH CUSTOMER SERVICE AGENTS,  
FIRST A PERSON APPARENTLY BASED IN MEXICO, THEN ANOTHER BASED  
IN BOSTON. THE LAST PERSON WOULD NOT PROVIDE ME THE NAME OR  
CONTACT INFORMATION FOR ANY "LOCAL FLEET TEAM" MANAGER THAT  
WOULD LIKELY BE RESPONSIBLE FOR REPAIR/MAINTENANCE ON THE  
VEHICLE IN SEATTLE. I DID SPEAK WITH [XXX] (BATCH #[XXX]; HE WOULD  
NOT PROVIDE ME HIS LAST NAME, BUT GAVE ME HIS BATCH #...AN  
EMPLOYEE ID#). I HAVE NOT BEEN CONTACTED BY ANY OTHER ZIPCAR  
REPRESENTATIVES SINCE.

I AM CONCERNED THAT ON THE DATE I RENTED THE VEHICLE THERE  
WERE OPEN, UNMITIGATED RECALLS OF WHICH I WAS NOT MADE AWARE  
BY ZIPCAR.

INFORMATION REDACTED PURSUANT TO THE FREEDOM OF INFORMATION  
ACT (FOIA), 5 U.S.C. 552(B)(6). \*TR

**Affected Products (1)**

**Vehicle**

MAKE	MODEL	YEAR
FORD	TRANSIT	2015

**Part 573 Safety Recall Report****17V-408****Manufacturer Name :** Ford Motor Company**Submission Date :** JUN 26, 2017**NHTSA Recall No. :** 17V-408**Manufacturer Recall No. :** 17S15**Manufacturer Information :**

**Manufacturer Name :** Ford Motor Company  
**Address :** 330 Town Center Drive  
 Suite 500 Dearborn MI 48126-2738  
**Company phone :** 1-866-436-7332

**Population :**

**Number of potentially involved :** 372,991  
**Estimated percentage with defect :** NR

**Vehicle Information :**

**Vehicle 1 :** 2015-2017 Ford Transit  
**Vehicle Type :** LIGHT VEHICLES  
**Body Style :** ALL  
**Power Train :** GAS

**Descriptive Information :** All full size Transit vehicles are affected except 156" and 178" wheelbase Chassis Cab and Cut-Away bodies.

These vehicles are not produced in VIN order. Information as to the applicability of this action to specific vehicles can best be obtained by either calling Ford's toll-free line (1-866-436-7332) or by contacting a local Ford or Lincoln dealer who can obtain specific information regarding the vehicles from the Ford On-line Automotive Service Information System (OASIS) database.

**Production Dates :** JAN 17, 2015 -JUN 15, 2017**VIN Range 1 : Begin :**

NR

**End :** NR Not sequential

**Vehicle 2 :** 2015-2017 Ford Transit  
**Vehicle Type :** LIGHT VEHICLES  
**Body Style :** ALL  
**Power Train :** DIESEL

**Descriptive Information :** All full size Transit vehicles are affected except 156" and 178" wheelbase Chassis Cab and Cut-Away bodies.

These vehicles are not produced in VIN order. Information as to the applicability of this action to specific vehicles can best be obtained by either calling Ford's toll-free line (1-866-436-7332) or by contacting a local Ford or Lincoln dealer who can obtain specific information regarding the vehicles from the Ford On-line Automotive Service Information System (OASIS) database.

**Production Dates :** JAN 17, 2015 -JUN 15, 2017

VIN Range 1 : Begin :

NR

End : NR

 Not sequential**Description of Defect :**

Description of the Defect : The flexible coupling between the transmission and driveshaft in certain 2015-2017 Transit vehicles may prematurely deteriorate and crack with increasing mileage. A cracked flexible coupling will result in an overt moaning noise from underneath the vehicle, along with tactile vibration. Continued driving with a cracked flex coupling may cause separation of the driveshaft, resulting in a loss of motive power while driving, or unintended vehicle movement in park without the parking brake applied. In addition, separation of the driveshaft from the transmission can result in secondary damage to surrounding components, including brake and fuel lines.

Ford is not aware of any reports of accident or injury related to this condition.

FMVSS 1 : NR

FMVSS 2 : NR

Description of the Safety Risk : Continued operation of a vehicle with a cracked flexible coupling may cause separation of the driveshaft, resulting in a loss of motive power while driving, or unintended vehicle movement in park without the parking brake applied. In addition, separation of the driveshaft from the transmission can result in secondary damage to surrounding components, including brake and fuel lines. A driveshaft separation may increase the risk of injury or crash.

Description of the Cause : The driveline angle in these vehicles places the flexible coupling in an operating condition that reduces its long-term durability.

Identification of Any Warning that can Occur : A cracked flexible coupling will result in an overt moaning noise from underneath the vehicle, particularly during coasting operation. Over time, continued driving with a cracked flexible coupling will result in progressively increasing driveline noise and a tactile vibration.

**Supplier Identification :****Component Manufacturer**

Name : Suddeutsche Gelenkscheibenfabrik GmbH &amp;

Address : Graslitzer Strasse 14

Waldkraiburg FOREIGN STATES 84478

Country : Germany

## **Chronology :**

October 2016: An issue concerning reports of cracking and separation of the flexible coupling between the transmission and driveshaft in certain 2015-2017 Transit vehicles was brought to Ford's Critical Concern Review Group (CCRG) for review. Engineering analysis of field returned parts found evidence of gradual flexible coupling deterioration on some vehicles.

November - December 2016: Ford Engineering evaluated 2 vehicles equipped with a field returned flexible couple that had been replaced due to a noise complaint. The vehicles exhibited noticeable noise at speeds above approximately 40 mph. Analysis of reports in Ford's data systems found that approximately 95% of flexible coupling replacements were in response to noise/vibration complaints. Though a few reports of driveline separation were also found, Ford identified no reports of brake function loss.

January - April 2017: Field reports continued to support evidence of overt and progressive indications related to deterioration of the flexible coupling. Field data continued to be monitored.

May 2017: During ongoing monitoring of field reports, Ford received 2 reports alleging flexible coupling-related driveshaft separation that resulted in loss of brake function. Ford inspected 1 of these complaint vehicles in May 2017, and confirmed that flexible coupling-related driveline separation resulted in severed brake lines and contact with fuel lines.

On June 19, 2017, Ford's Field Review Committee reviewed the concern and approved a field action.

## Description of Remedy :

### Description of Remedy Program : Interim Repair:

Based on the field data, Ford does not expect the current flexible couplings to deteriorate sufficiently to result in driveline separation under 30,000 miles.

For affected vehicles with more than 30,000 miles, Ford is finalizing an interim repair. The interim repair will consist of replacing the driveshaft flexible coupling every 30,000 miles until the final repair is available and completed. Owners will be notified by mail and instructed to take their vehicle to a Ford or Lincoln dealer to have the flexible coupling replaced immediately.

For affected sold vehicles with less than 30,000 miles, or affected vehicles that have had a driveshaft or driveshaft flexible coupling replaced within the last 30,000 miles, no alteration or interim repair is required until the vehicle or replaced flexible coupling reaches 30,000 miles. If any customer experiences driveline noise or vibration within the 30,000 mile interval, they will be instructed to contact their dealer.

### Final Repair:

Owners will be notified when either (a) a redesigned flexible coupling, modified driveshaft bracket and shield, or (b) a revised driveshaft equipped with a universal joint, is available to be installed.

There will be no charge for this service.

Unsold vehicles will be held until the final repair is complete.

Ford provided the general reimbursement plan for the cost of remedies paid for by vehicle owners prior to notification of a safety recall in February 2017. The ending date for reimbursement eligibility is August 31, 2017.

Ford will forward a copy of the notification letters to dealers to the agency when available.

How Remedy Component Differs NR  
from Recalled Component :

Identify How/When Recall Condition NR  
was Corrected in Production :

## Recall Schedule :

Description of Recall Schedule : Notification to dealers is expected to occur on June 27, 2017. Mailing of owner notification letters is expected to begin July 17, 2017 and is expected to be completed by July 21, 2017.

Planned Dealer Notification Date : JUN 27, 2017 - JUN 27, 2017

Planned Owner Notification Date : JUL 17, 2017 - JUL 21, 2017

\* NR - Not Reported