



Emily Frascaroli, Global Director
Automotive Safety Office
Sustainability, Environment & Safety Engineering

Fairlane Plaza South, Suite 400
330 Town Center Drive
Dearborn, MI 48126-2738

July 6, 2022

Mr. Alexander Ansley, Chief
Recall Management Division
Office of Defects Investigation
National Highway Traffic Safety Administration
1200 New Jersey Avenue SE,
Washington, D.C. 20590

Dear Mr. Ansley:

Subject: AQ22-002: NEF107EW

The Ford Motor Company (Ford) response to the Agency's June 6, 2022, letter regarding an audit of certain vehicle sales and safety/compliance recall information for a Ford dealer is attached.

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

[REDACTED]
Emily Frascaroli

Attachment

ATTACHMENT

FORD MOTOR COMPANY (FORD) RESPONSE TO AQ22-002

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 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 Audit Query.

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 notes that some of the information being produced pursuant to this inquiry may contain personal information such as 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 4, 2017, the date of your inquiry. Ford has searched within the following offices for responsive documents: Ford Customer Service Division, and Marketing, Sales & Service.

Request 1

For each and every recall of which Ford notified NHTSA from May 1, 2017 to present, and for which Ford notified Healey Brothers Ford (by means including, but not limited to, a specific recall notice), produce a spreadsheet table detailing the following about each new vehicle that was in Healey Brothers Ford's possession, subject to that recall, and had not yet been delivered to the first purchaser other than for resale at the time Ford first notified Healey Brothers Ford of the recall:

- a. The VIN;
- b. The Ford recall number;
- c. The NHTSA recall number;
- d. The date Ford issued a recall notice to Healey Brothers Ford;
- e. The means of transmission of the notification referred to in subpart (d) above (email, Ford interactive network, fax, etc.);
- f. The date Ford transmitted or otherwise made available to Healey Brothers Ford a VIN list or other information from which to ascertain the vehicle's inclusion in the recall;
- g. The means of transmission for the VIN list or other information from which to ascertain the vehicle's inclusion in the recall and recall notice, (e.g., email, Ford interactive network, fax etc.);
- h. The date on which Healey Brothers Ford took possession of the vehicle;
- i. What Healey Brothers Ford ultimately did with the vehicle (e.g., sold to a retail customer; leased to a retail customer);
- j. The date on which the vehicle was leased or sold to the first purchaser other than for resale (e.g., sold to a retail customer) (if applicable);
- k. The date on which the vehicle was delivered by Healey Brothers Ford to the first purchaser;
- l. Whether the recall remedy was performed on the vehicle. "Recall remedy" refers to the inspection and repair procedures Ford instructed Healey Brothers Ford to perform under the recall;
- m. The date on which the recall remedy was performed on the vehicle;
- n. The name and address of the entity that performed the recall remedy on the vehicle (e.g., Healey Brothers Ford).

If a vehicle was subject to more than one recall, please provide a separate response for each associated recall (e.g., if a vehicle was subject to two different recalls, the vehicle should have two separate responses organized and identified by their respective NHTSA

recall number).

Provide your responses in a table in Microsoft Access or Excel entitled "Vehicles Requiring Recall Notice."

Answer

The information requested is being provided in Appendix A. Some of this information is acquired from entities outside Ford, and Ford cannot attest to the accuracy or validity of the information acquired from these outside entities.

As requested in subpart (k), Ford is providing in Appendix A the date on which a particular vehicle was sold. However, Ford does not have records of when a vehicle was actually delivered to the customer. Therefore, we are unable to provide the information requested by the Agency in subpart (k). Similarly, Ford does not have records if a Ford/Lincoln dealer transfers a vehicle to another Ford/Lincoln dealer.

When a new vehicle is placed into service its warranty period is initiated and a 'warranty start date' is entered into Ford's systems. Ford utilizes this date as an indicator of when a vehicle was sold. An owner may take possession of a new vehicle on the warranty start date or on a later date. As described above, Ford does not have information on the actual delivery date to a customer but will provide the warranty start date as the date the vehicle was sold.

In the information provided in Appendix A, Ford noted that in some instances, Healey Ford was listed as the 'owner' of the vehicle at the warranty start date in Ford's data and a retail customer was identified as the owner at a later date. In those instances, Ford has provided both dates in Appendix A in the 'Notes' column.

In the information contained in Appendix A, the repairing dealer is listed as "Non-Dealer Repair" in some instances. When Ford initially identifies a population of VINs potentially affected by a recall, the list is inclusive of all vehicles that have been produced. If a vehicle is later identified as having been repaired by the assembly plant before it was shipped, or the vehicle is otherwise unaffected, the recall is closed for that VIN and it is no longer active in OASIS. In those instances, there is not a repairing dealer to report.

Request 2

Produce copies of all documents that evidence, substantiate, or are otherwise relate to your responses from Information Request No. 1(h)-(n). Organize the documents separately by VIN.

Answer

The information contained in Appendix A in response to Request 1 was compiled by querying various databases that contain the information requested by the Agency. We have not attempted to locate and/or produce any other documents that may contain the same information located in the databases queried by Ford and provided in Appendix A. 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 3

Provide any and all information regarding Ford's efforts, policies, procedures, outreach, engagement, audits, incentives, penalties, and/or training of Ford dealerships regarding education and compliance with 49 U.S.C. §§ 30112(a), 30120(i), and 49 C.F.R. § 573.11. Additionally, please provide all information regarding Ford's policies, procedures, or other actions to evaluate, audit, or identify non-compliances by Ford dealerships with NHTSA laws and regulations and any actions Ford takes to attempt to address any such non-compliances.

Answer

Ford utilizes multiple approaches and processes to ensure that dealers are aware of safety/compliance recalls, and the regulatory requirements associated with delivering new vehicles with unrepaired safety recalls.

Ford's practice is to issue a notice to dealers typically within three days of filing a defect report with the Agency. The notice contains the make, model, and model year of vehicles affected, and a description of the defect. On August 11, 2021, such a notice was published for 21S38. Information in that notice included:

SUBJECT: NEW VEHICLE DEMONSTRATION / DELIVERY HOLD - Advance Notice Safety Recall 21S38 Certain 2021-2022 Model Year Bronco Sport, and 2021 Corsair and Escape

Vehicles Fuel Delivery Module (FDM) Line Leak Internal to Fuel Tank

AFFECTED VEHICLES Vehicle Model Year Assembly Plant Build Dates

Escape 2021 Louisville May 6, 2021 through May 25, 2021

Corsair 2021 Louisville May 13, 2021 through May 25, 2021

Bronco Sport 2021-2022 Hermosillo May 21, through July 20, 2021

Affected vehicles are identified in OASIS and FSA VIN Lists.

SERVICE ACTION

DO NOT DEMONSTRATE OR DELIVER any new in-stock vehicles involved in this Safety Recall. A complete Dealer Bulletin will be provided to dealers the week of September 20, 2021 when it is anticipated that parts ordering information and repair instructions will be available to support this safety recall.

Ford publishes a list of affected VINs for each safety/compliance recall for dealers to utilize.

Recall information is also made available to Ford and Lincoln dealers via Ford's On-line Automotive Service Information System (OASIS). Using OASIS, dealers can enter individual VINs, and the OASIS system will display all safety recalls that Ford records indicate have not been completed on a specific vehicle. OASIS was activated with VIN related information pertaining to recall 21S38 on August 11, 2021. Additionally, when new recalls are announced, Ford posts an OASIS Broadcast Message to the website as an additional awareness tool for dealership employees.

In every dealer bulletin associated with a safety/compliance recall, Ford reminds dealers of the regulatory requirements. The subject line for dealer bulletins associated with safety/compliance recalls begins with: **SUBJECT: NEW VEHICLE DEMONSTRATION / DELIVERY HOLD Safety Recall XXXXX**. Within each dealer bulletin associated with a safety/compliance recall the following information is provided:

PLEASE NOTE: Federal law requires dealers to complete this recall service before a new vehicle is delivered to the buyer or lessee. Violation of this requirement by a dealer could result in a civil penalty of up to \$21,000 per vehicle. Correct all vehicles in your new vehicle inventory before delivery.

The dealer bulletin for safety/compliance recalls also includes the following instructions to dealers:

STOCK VEHICLES

- **Correct all affected units in your new vehicle inventory before delivery.**
- **Use OASIS to identify any affected vehicles in your used vehicle inventory.**

To further assist dealers in complying with the regulations, Ford implemented an automated process in May 2017 where a vehicle cannot be reported to Ford as sold if there is an open safety or compliance recall. Dealerships also receive recall notices when they look up vehicle sales incentives by VIN. Since a dealership cannot report a vehicle as sold, they cannot receive the financial compensation/incentives from Ford related to the vehicle sale or lease.

In 2021, Ford launched three training classes for dealers that educate dealership employees on what Field Service Actions (FSAs) are, why they are important, and how to properly handle them. The course 3809W is targeted at Sales Employees and addresses the requirement to not deliver any new vehicles with open recalls.

Course Code	Course Description
F103001103	FSA Course Targeted for Technicians
3808W	FSA Course Targeted at Service Employees that are not technicians
3809W	FSA Course Targeted at Sales Employees

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 or documents and explain the reason(s) for those anomalies.

Answer

Ford has no additional information to provide at this time.

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