



James P. Vondale, Director
Automotive Safety Office
Environmental & Safety Engineering

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

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Ms. Kathleen C. DeMeter, Director
Office of Defects Investigation
Safety Assurance
National Highway Traffic Safety Administration
1200 New Jersey Avenue, SE/W45-302
Washington, DC 20590

Subject: Updated Information Regarding Parts Availability - Recall No. 05S28 – Speed Control Deactivation Switch, 1992-2004 model year, multiple vehicle lines.

Reference: NHTSA Campaign ID Numbers: 05V017000, 05V388000, 06V286000, 07V078000, and 07V336000.

Ford is updating information regarding the availability of parts associated with the subject field service action. In August 2007, Ford added approximately 3.6 million vehicles to its previous recall of certain vehicles for the speed control deactivation switch. The vehicles in this August 2007 action included both car and truck models. The repair involves disconnection of the switch and either installation of a service jumper harness, or replacement of the switch itself.

As the agency is aware, Ford has made extraordinary efforts to offer service parts as quickly as possible to address the demand from millions of vehicle owners in a very short time. However, there is simply no way to immediately procure service parts for millions of vehicles. It is an extremely difficult challenge to balance the desire to reach customers as soon as possible while managing a limited supply of available service parts. In particular, this issue has had exceptional press coverage that has driven awareness in the dealer body and in some segments of owners. While Ford moved promptly to communicate with our customers and the public, it appears that a certain portion of owners are not motivated to take advantage of the various service options Ford has made available given the limited parts supply.

At the time of the August 2007 announcement, Ford had approximately 550,000 "truck" service jumper harnesses in stock that were configured to service most truck applications that had been recalled in this or previous actions. Based on dealership demand trends for service parts from the previous actions, this number of parts was projected to be adequate to meet dealer demand while "car" jumper harnesses were being produced. The electrical connector on speed control deactivation switches used in most car applications is keyed differently than the connector used in most truck applications and the power input is on the opposite electrical lead (polarity) necessitating a different service jumper harness. Based on the projections that the supply of



truck parts was adequate, in September 2007, Ford directed its jumper harness supplier to shift production from truck to car jumper harnesses configured to service most car applications associated with the August 2007 action. At that time, Ford estimated that an adequate supply of car jumper harnesses would be available by the end of November 2007 to begin service on those vehicles. Hi-Stat switches remained available in limited quantities to service vehicles that were found to have a leaking switch.

Actual dealer orders for the truck jumper harnesses immediately following Ford's August 2007 recall announcement were significantly greater than had been projected based on Ford's substantial experience with the four prior speed control deactivation switch recall launches, quickly depleting Ford's supply of the truck jumper harnesses. Dealers and truck owners were notified of the truck jumper harness shortage in September, with a reminder that switch disconnection was an appropriate interim repair until the final repair could be completed.

Ford immediately undertook actions to 1) increase car jumper harness production rates in order to resume truck jumper harness production as quickly as possible, 2) increase switch production rates to provide an alternate repair method for all vehicles, and 3) develop a "universal" jumper harness that could service both car and truck configurations. In addition, revisions and enhancements have since been made to the demand modeling toolkit to better project and monitor demand and order volume.

Through Ford's efforts to increase the car jumper harness production rate and resume truck jumper harness production more quickly, it was found that the original jumper harness supplier was unable to meet the increased demand beyond its current maximum rate of 50,000 parts per week, and, even more significantly, that the supplier's ability to simply continue jumper harness production in any configuration or volume was in doubt.

Accordingly, Ford immediately undertook efforts to identify new jumper harness suppliers. By the end of November two new jumper harness suppliers had been authorized and a universal jumper harness had also been designed and approved. This new universal jumper harness will accommodate both car and truck keyway configurations and both sides of the jumper harness are fused to accommodate either polarity. Ford made the decision to invest in the more expensive jumper harness design to help reduce complexity for dealer technicians and improve supply quantity. Both suppliers were formally kicked off in December to proceed with universal jumper harness production at unprecedented volumes. Both suppliers will begin production schedules with ramp-up volumes; one beginning in mid-February, the other in mid-March. The combined full rate production will be 300,000 harnesses per week by mid-April. Through this dual supplier source effort, we project that an adequate supply of universal jumper harnesses will be available in May 2008 to meet the anticipated initial dealer demand.

Meanwhile, Ford continues to provide significant support to the original car jumper harness supplier to maintain their ongoing production capability. In fact, car jumper harnesses will be available to dealers beginning the week of February 4, 2008. Ford also notes that production of Hi-Stat switches was increased 250% to 35,000 switches per week in November 2007 to service vehicles with a leaking switch, service certain vehicle configurations that do not lend themselves to installation of the jumper harness, or in certain rare circumstances – because of limited switch availability – repair a vehicle if a jumper harness is not available.

Ford has continued to expend significant resources pursuing numerous means to improve the parts availability situation relating to this action in an effort to address the concerns of our customers and dealers. However, disconnection of the switch remains an effective means to eliminate the risk of fire even in the presence of limited parts availability in the near term. As the agency is aware, Ford plans to mail recall reminder letters to all affected vehicle owners who have not yet brought their vehicles to a dealership for the recall service. These reminder letters will be mailed beginning the week of February 18, 2008, and will be completed by April 21, 2008. This schedule, coupled with our planned upcoming mailings for other safety programs, accounts for a weekly mailing volume averaging greater than 1.2 million letters per week over the next eight weeks, which will push our capacity limits and requires seven day operations at our printing/mailing supplier.

Ford will keep the agency informed of any notable developments relating to this subject.

Sincerely,



James P. Vondale