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07E-098
(5 pages)

November 14, 2007

RECEIVED
2007 NOVEMBER 15 9:00A
OFFICE OF DEFECTS INVESTIGATION
RECALL MGMT DIV.

Ms. Kelly Schuler
Defects and Recall Information Analysis Division
National Highway Traffic Safety Administration
1200 New Jersey Avenue S.E.
Washington, D.C. 20590
Routing NVS-215, Room W46-421

RE: Application for Recall Number
Moss Motors, Ltd.
Recall of Reproduction Radiator Cooling Fan,
Used on 1956 to 1967 Austin-Healey, Models BN4, BN6, BN7, BT7, BJ7, BJ8.

Dear Ms. Schuler:

It was nice to speak with you again! Enclosed, please find a Part 573 Defect and Noncompliance Report for the above parts.

This part is a reproduction radiator cooling fan used on the above models of vintage Austin-Healey automobiles. The fans are exact duplicates of the original design, and are used in the restoration of these automobiles.

Moss Motors imported and sold 320 of these parts between October 2005 and September 2007. Moss Motors was notified of only one failure, in September 2007, and thereupon ceased sales of the part. Testing by an independent lab found a high frequency fatigue failure at a joining rivet. Moss Motors has undertaken the proactive steps outlined in the 573 Report to replace all of these parts. There have been no injuries reported due to failure of the affected part.

Please review the enclosed materials and contact me with any requested changes. Thank you again for your assistance in helping us institute this recall.

Sincerely,

/ s /

J. Stuart Duncan
sduncan@jsduncan.com

cc: Mr. Robert Goldman
Moss Motors, Ltd.

PART 573 Defect and Noncompliance Report

Report Prepared: November 13, 2007

On September 5, 2007 Moss Motors, Ltd. decided that a defect which relates to motor vehicle safety exists in an item of motor vehicle equipment listed below, and is furnishing notification to the National Highway Traffic Safety Administration in accordance with 49 CFR Part 573 Defect and Noncompliance Reports.

1. Full corporate name of fabricating manufacturer:
   Moss Motors, Ltd.
   400 Rutherford Street
   Goleta, CA 93116
   805-967-4546

   Contact: J. Stuart Duncan, Attorney
   J.S. Duncan & Associates
   5381 Sierra Verde Rd.
   Irvine, CA 92612
   949-500-3179 phone
   949-509-9150 fax

   Report prepared by: J. Stuart Duncan, Attorney
   J.S. Duncan & Associates
   5381 Sierra Verde Rd.
   Irvine, CA 92612
   949-500-3179 phone
   949-509-9150 fax

2. Equipment involved in this recall:

   Generic Name: Radiator Cooling Fan
   Make: Moss Motors Original Equipment Reproduction Tropical Fan
   Model: for Austin Healey 100-6 & 3000 cars
   Part # 834-880
   Function: Draws cooling air through the radiator.
   Other information: The Moss Motors Technical Services Department has discovered that between approximately October 6, 2005 and September 5, 2007, we sold reproduction Austin-Healey Tropical Fans, Part No. 834-880, all of which were received from one vendor. These fans were manufactured with steel center hubs and fan blades that do not fit together properly. It also appears that the component hub and blades were not pressed and held together while the holes for the rivets attaching the blades to the hub were punched. These irregularities resulted in localized overstress at the innermost rivet, and resulted in a premature high cycle fatigue failure

in one unit. If a blade breaks or detaches from the hub, it could fly off at high speed, depending on engine speed, causing possible damage or injury.

This recall represents 100% of these #834-880 Tropical Fans manufactured by this vendor and sold by Moss Motors.

3. Recall Population:

Total number of #834-880 Tropical Fans potentially containing the defect: 320
Model year potentially involved:
Fans sold between November 18, 2005 and September 5, 2007 for use on 1956 -1967 Austin Healey models (years manufactured):

Austin-Healey 100-6 BN4	(1956-57)
Austin-Healey 100-6 BN6	(1957-59)
Austin-Healey 3000 BN7	(1959-62)
Austin-Healey 3000 BT7	(1959-62)
Austin-Healey 3000 BJ7	(1962-63)
Austin-Healey 3000 BJ8	(1963-67)

4. Potentially affected by recall: 100%
Percent of equipment estimated to contain defect: undeterminable

Determination of recall population: The #834-880 Tropical Fans subject to recall were all manufactured by one vendor. Technical testing by Tom Bertone Consulting, Inc. discovered the defect in the fans manufactured by this manufacturer.

We have sent out letters to our customers who purchased #834-880 Tropical Fans during this time period notifying them that we are recalling the product.

5. Description of Defect or Noncompliance:
Austin-Healey Tropical Fans from one vendor were manufactured with center hubs and fan blades that do not fit together properly. It also appears that the components were not pressed and held together while the holes for the rivets were punched. These irregularities resulted in localized overstress at the innermost rivet, and resulted in a premature high cycle fatigue failure in one unit, resulting in the loss of one or more fan blades.

Warning signs: visual cracks in the paint or in the blade or center hub; vibration or noise from the engine.

These components were manufactured by:
GUILIN GUANGMING TECH IND LTD
NO.16 YI FENG SOUTH ROAD
GUILIN
GUANGXI, 541004
China

011-86-773-585-0657 X828
Contact: YI, CHAO HUA
glych@public.glptt.gx.cn

The components were purchased directly from the manufacturer, not through an agent or distributor.

Milard Group / Moss Motors Corporate Representative:
J. Stuart Duncan, Attorney
J.S. Duncan & Associates
5381 Sierra Verde Rd.
Irvine, CA 92612
949-500-3179 phone
949-509-9150 fax

6. Chronology in Determining the Defect:
On September 5, 2007, Moss Motors received email notification that one fan had failed. Moss Motors "froze the inventory" and stopped selling the fan on September 5, 2007, pending an investigation into the matter. One broken fan was shipped to us by a customer on approximately September 19, 2007. The failed part was sent to an independent testing lab, Tom Bertone Consulting, who determined the cause of failure and supplied us with a Metallurgical Analysis Report dated October 9, 2007.

There has been one warranty claim, but no reports of accidents, injuries, or fatalities concerning this feature to date.

7. Visual inspection of the failed part; inspection and testing by Tom Bertone Consulting, who supplied a Metallurgical Analysis Report, dated October 9, 2007, stating that improper fitment between components led to a high cycle fatigue failure of the metal parts.

8. Manufacturer's Remedy for Defect:
Moss Motors will supply new fans and a labor allowance to have them installed.

Differences between remedy and recall components:
In the recall condition, the #834-880 Tropical Fans were manufactured with center hubs and fan blades that do not fit together properly. The components were not pressed and held together while the holes for the rivets were punched. These irregularities can result in localized overstress at the innermost rivet, and result in a premature high cycle fatigue failure, resulting in the loss of one or more fan blades.
Remedy parts have been manufactured from center hubs and blades that fit properly together, and they were held together while the holes for the rivets were punched. They were assembled properly.

Distinguishing characteristics between remedy and recall components:
The distinguishing characteristics between the remedy component and the recall component are that on a defective recall component, the entire fan is bright yellow in color, while the remedy component has a black center hub and six polished stainless steel blades.

Recall condition corrected in production:
The recall condition was corrected in production by discontinuing the product. Stock in all locations was consolidated and quarantined. All of the #834-880 Tropical Fans will be destroyed.

Recall Schedule:
All of the fans subject to this recall were sold through Moss Motors and its distributors. A Notification email was sent to every purchaser on November 9, 2007, and a notification letter was mailed out to all customers of record on November 10, 2007. Wholesale customers were notified by telephone on November 13, 2007 and a letter sent to them on November 10, 2007.

Notice was emailed to the two National Austin-Healey Clubs on November 12, 2007 with a request that it be printed in their magazines so that subsequent owners who are not in our customer base have access to the information.

A notification and warning was also posted on the company's website on November 9, 2007, where it will remain for an indeterminate amount of time. It will be updated as necessary. Notices are not in the current catalog, which had just recently gone to the printer.

There are many organized groups around the country interested in these affected vintage cars, and word of the recall will also no doubt be spread by word-of mouth and over the internet by customers, collectors of the vehicles, and enthusiast groups.

The foreseeable problems with the recall consist of the fact that the vehicles see limited use and do not accumulate mileage very quickly. Thus a defective part could provide years of service without trouble. Also, the parts are often purchased and installed by repair shops rather than owners. Vehicles could have been sold since the fan was purchased, so not all vehicle owners are contained in the list of known purchasers, We must, therefore, rely on the repair shops to contact the vehicle owners. However, these cars are generally owned by consumers knowledgeable in their proper usage and safe working conditions.

9. Copies of Recall Communications:
Copies of all recall notices and communications with distributors and customers are enclosed with this report and will be sent to the:
Associate Administrator for Safety Assurance (NSA-01)
National Highway Traffic Safety Administration
1200 New Jersey Avenue S.E.
Washington, DC 20590
Routing NVS-215, Room W46-421

Future communications will be sent as they become available.