

RECEIVED 2007 DEC. – 5 PM 1:30 DEFECTS INVESTIGATION RECALL MGMT DIV.

> 07V-553 (3 Pages)

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December 3, 2007

Mr. Daniel C. Smith Associate Administrator for Safety Assurance National Highway Traffic Safety Administration 1200 New Jersey Avenue, SE/W45-231 Washington, DC 20590

Dear Mr. Smith:

Subject: Ford Motor Company (Ford) Recall No. 07S57 1997-2003 Model Year F-Super Duty, E-Series, and Excursion vehicles equipped with 7.3L diesel engines.

Ford is conducting a voluntary safety recall involving 1997-2003 model year F-Super Duty, E-Series, and Excursion vehicles equipped with 7.3L diesel engines designed and produced by International involving the camshaft position sensor (CMP sensor) to address reports of engine stalling. The action will involve inspection to verify the design level of the CMP sensor installed in the engine and, if necessary, replacement of the older technology sensor with a new sensor using the latest technology. Many vehicles will already have the redesigned sensor, which has been available as a service part since April 2007.

Sensor circuit degradation over time due to sensor manufacturing process variation combined with a sensor design that is overly sensitive to environmental factors and manufacturing variability can result in sensor failure. It is unknown how many vehicles will be affected by this condition.

Should an engine stall due to failure of the CMP sensor while a vehicle is being driven, the vehicle remains controllable, decelerating slowly and predictably. Full brake and steering assist are available down to approximately 30 mph in high gear due to engine back-drive. After drivetrain uncoupling (typically below 30 mph), manual steering remains fully functional and three fully assisted brake pedal applications are available; manual braking remains fully functional thereafter. In addition, vehicle lighting functions including brake lamps, turn signals, and flashers remain fully functional, maintaining conspicuity to other vehicles.

The agency opened its investigation of engine stall due to the CMP sensor failure in these vehicles in February 2006 and subsequently upgraded the investigation to an Engineering Analysis in June 2006. Ford issued updated claims data to the agency in March 2007 and again in June 2007. Though Ford's analysis identified a larger than expected number of stalling reports,

very few alleged vehicle control concerns but instead predominantly voiced concerns regarding the durability of the sensor and the replacement cost. Phone surveys of customers that reported to have experienced a CMP sensor failure found that the customer had little or no trouble controlling their vehicle or bringing it to a controlled stop, consistent with Ford's internal vehicle testing that found the vehicles to remain easily controllable. Based on information gathered during the agency investigation on vehicles that have had as many as 10 years in service and have been driven an estimated combined 150 billion miles, and in spite of the relatively large number of reports of engine stall, Ford is aware of only 14 reports that allege any type of accident or loss of control with no injury allegations. In these reports, driver characterizations of vehicle control were not consistent with how the vehicle has been shown by vehicle testing to perform under such conditions. These allegations include ten reporting vehicle contact with either a curb or pole at low speed with only minor damage to the vehicle, three reporting low speed vehicle to vehicle contact, and one that claims no contact with other objects, but simply expresses concern regarding the potential for an accident. Even including these allegations, the resulting alleged accident rate of nine per 100 billion vehicle miles traveled is lower than other stalling related investigations that were subsequently closed by the agency without action.

Based on the demonstrated benign vehicle reaction following a stall, and confirmed by the extensive real-world experience of over 10 years for some vehicles, Ford decided that this condition did not pose an unreasonable risk to motor vehicle safety and approved a Customer Satisfaction Program to address customer concerns with high repair rates and associated cost of the repair. However, in order to resolve this investigation and avoid a protracted dispute with the agency, Ford has decided to conduct this field action as a Safety Recall, despite our belief that there is not a demonstrated unreasonable risk of accident or injury.

Ford estimates that there are approximately 1,176,000 vehicles currently registered in the United States and federalized territories. Vehicles potentially affected are certain 1997-2003 model year Ford F-Super Duty, Excursion, and E-Series vehicles with the following build locations and dates:

Vehicle	Plant	Build Dates
F-Super Duty	Kentucky Truck Plant (KTP)	6/18/1996-11/4/2002
F-Super Duty	Cuautitlan Assy. Plant (CUAP)	6/11/1996-7/21/2003
Excursion	Kentucky Truck Plant (KTP)	3/25/1999-11/1/2002
E-Series	Ohio Assembly Plant (OHAP)	4/3/1996-9/16/2003

Because 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 dealer who can obtain specific information regarding the vehicles from the Ford On-line Automotive Service Information System (OASIS) database. Owners will be notified and instructed to take their vehicles to a Ford or Lincoln/Mercury dealer to have the CMP sensor inspected and, if necessary, a revised CMP sensor will be installed. There will be no charge to owners for this service. Mailing of owner notification letters will begin on December 17, 2007, and be completed in phases by May 2008. Notification to dealers will occur the week of December 03, 2007. Ford's general reimbursement plan for the cost of remedies paid for by vehicle owners prior to notification of a safety recall was provided to the agency on February 28, 2003. The ending date for reimbursement eligibility for cost of remedies paid for by vehicle owners per Ford's general reimbursement plan is June 15, 2008.

Mr. Daniel C. Smith

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Ford does not at this time plan to make a statement to the media concerning the subject matter of this action. A copy of the notification letters to dealers and owners from Ford will be forwarded to the agency when available.

Sincerely,

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