#### All Dealer Letter Part Procurement Process for Low Volume Programs

Ford Motor Company

P.O. Box 1904 Dearborn, Michigan 48121 May 10, 1999 To: All Ford and Lincoln Mercury Dealers cc: All Parts Managers All Service Managers Subject: Updated Part Procurement Process For Low Volume Recalls

The purpose of this communication is to update the process for dealer acquisition of service parts for certain Field Service Actions with a small number of involved vehicles.

### Background:

Ford Customer Service Division

- Situations where Field Service Actions have a small number of involved units require special handling.
- There are no controls in the parts system to prevent the over-ordering of parts in low volume situations.
- Many dealers order one or more parts even if they do not have an involved unit to insure customer satisfaction. This can result in parts in the inventory of dealers who do not need them and exhausted supply for dealers who do need them.
- With existing procedures, there is a cost to the Company and the Dealers (handling, returning, scrapping, etc.).

# What's "Small Volume"?

• Generally, recalls, or CSP's involving 5,000 or fewer vehicles.

## What We Propose

- Procedures to better manage "Parts-To-Affected-Vehicle" process.
- Vehicle owner (retail customer/fleet/dealer) requested to contact a "process facilitator" via a special 1-800 toll-free line or with a special postcard provided with the owner letter.
- Process facilitator verifies VIN/Owner information and works with owner (or dealer) to identify repairing dealer.
- Process facilitator inputs part order and send a MORS III message with Customer/VIN/part shipping information to the identified repairing dealer.
- Dealer would be charged for the part at the lowest acquisition cost.

## What's Different:

- Owner asked to call special toll-free line or send back special postcard.
- Parts would not be available through the normal parts ordering system.
- Owners would need to have an appointment.

#### **Dealer Benefits:**

- Eliminates back-orders—guarantees part availability.
- Increases customer satisfaction with your "Service Experience"
- New process will enable dealers to initiate pro-active service scheduling—with the information we will provide on the MORS III message, you call the customers to arrange a service appointment knowing that the part will be there and the customer's vehicle needs service.

Additional details will be provided as specific Field Service Actions suitable for this process are launched.

We ask that you share this procedure with your parts and service personnel to insure they are aware of this process.

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