

**Volvo Cars of North America, LLC**

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11V-378
(3 Pages)

Adam Kopstein, Manager
Automotive Safety & Compliance

July 21, 2011

Daniel Smith, Associate Administrator Enforcement
National Highway Traffic Safety Administration (NSA-01)
1200 New Jersey Avenue, SE,
West Building, Fourth Floor Washington, DC 20590.

Re: DEFECT INFORMATION REPORT

Dear Mr. Smith,

Pursuant to Part 573 of Title 49 of the Code of Federal Regulations, Volvo Cars of North America, LLC (Volvo) submits the following information concerning a safety recall program that it is voluntarily initiating.

573.6 (c) I: Manufacturers Name

Vehicle Manufacturer.
Volvo Car Corporation
Gothenburg, Sweden

Designated Agent
Volvo Cars of North America
Rockleigh, N.J. 07647

Component Manufacturer

Kevin Hartle
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Vehicle Group EMEA
Eaton Limited
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573.6 (c) 2: Identification of Vehicles involved

The vehicles involved in this recall are certain model year 2007 S80 vehicles equipped with 6 cylinder non-turbo engines. The assembly plants and inclusive dates of manufacture are listed in the chart below; **please note that the vehicle chassis numbers and production dates may reflect global production and not only vehicles available for sale in the United States or its territories.**

MODEL	MODEL YEAR	PRODUCTION DATES	CHASSIS RANGE
S80	2007	2006-03-08 / 2007-05-16	0000001 / 0046266

573.6 (c) 3: Total number of Vehicles Potentially Containing the Defect

The total number of vehicles potentially affected within the United States and its Territories is 8,406.

573.6 (c) 4: Estimated percentage of Vehicles with the Defect

6%

573.6 (c) 5: Description of the Defect

The power steering reservoir return hose may have been incorrectly routed, which can result in increased pressure in the power steering system. The power steering return hose may burst at the steering gear due to the increased pressure, resulting in a loss of power steering fluid and a sudden loss of power steering assistance without prior warning to the driver.

573.6 (c) 6: Chronology of Events

11/01/06

Release of applicable Technical Journal/Service Bulletin from Sweden (TJ 14322) indicating a power steering leak may result in noisy operation and increased steering effort.

11/28/06

First U.S. warranty repair

08/30/07

First U.S. Field Report

03/16/11

Investigation of the concern on right hand driven cars was addressed to the Volvo Quality Organization from Volvo Japan.

05/23/11

Issue was presented to the Volvo Critical Concern Review Group (CCRG). The CCRG group identified and prioritized resources to conduct further testing and analysis to determine the safety relationship.

06/15/11

Investigation of the concern established on right hand driven cars, initiated further investigation regarding left hand driven cars, and the conclusion that the condition warrants a Field Service Action on both LH and RHD cars. Action and preparation for the Recall begins.

07/15/11

Field Action Board decided that the defect is safety related.

Volvo has received 5 U.S. warranty claims for this condition and 1 U.S. Technical Report for 1 vehicle.

Volvo is not aware of any reports alleging injuries, fatalities, fires, or crashes related to this condition in the U.S.

573.6 (c) 7: Test Results

Not applicable

573.6 (c) 8: Program for Remedy of Defect

The corrective action will be to inspect the routing of the power steering reservoir return hose. If the reservoir return hose is routed correctly, no further action is required. If the reservoir return hose is routed incorrectly, it will be necessary to replace and re-route the reservoir return hose, and also replace the steering gear return hose and the power steering fluid reservoir.

All involved vehicles will be subject to the recall. The target completion date for owner notification letters via first class mail is August 12th. The letter will request that the owner of the vehicle take their vehicle to an authorized Volvo retailer for remedy at no charge.

573.6 (c) 10: Copies of Notices, Bulletins, etc.

Copies of the complete dealer recall package will be sent to RMD next week. A draft copy of Volvo's owner notification letter is being created and will be submitted to the agency by July 26th.

573.6 (c) 11: The Manufacturer's Campaign Number

Volvo has assigned Volvo Recall Campaign Number R246 to this Recall Campaign.

If you have any questions regarding this report please contact me at (201) 768-7300 ext. 7908, email akopstei@volvocars.com

Sincerely yours,

VOLVO CARS OF NORTH AMERICA, LLC.
Customer Service



Adam Kopstein
Manager, Automotive Safety & Compliance