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RECEIVED

By Recall Management Division at 1:34 pm, Aug 09, 2012

August 9, 2012

12E-029
(5 pages)

Ms. Nancy Lummen Lewis
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
Attn: Recall Management Division (NVS-215)
1200 New Jersey Ave, SE Washington, D.C. 20590

Re: Aftermarket/Replacement Engine Cooling Fans
Part 573, Defect Information Report

Dear Ms. Lewis:

In accordance with the requirements of the National Traffic and Motor Vehicle Safety Act of 1966 and 49 CFR Part 573, on behalf of Valeo, Inc. d/b/a Valeo Service USA ("Valeo"), we hereby submit the attached Defect Information Report concerning a voluntary safety recall of certain aftermarket replacement engine cooling fans.

Should you have any questions about this report, please contact me at jeffrey.shay@valeo.com or (248) 420-7469.

Sincerely

Jeffrey Shay
Quality Director, North America

Enclosures
Part 573, Defect Information Report

DEFECT INFORMATION REPORT

1. Fabricating Manufacturer Name:

King Shing Automobile Parts Co., Ltd
No.3, Gongye 1st Rd., Pingzhen City, Taoyuan County 324, Taiwan

Importer:

Valeo Inc. d/b/a Valeo Service USA
150 Stephenson Hwy., Troy, MI 48083

Country of Origin:

Thailand

Valeo Contact:

Jeffrey Shay
Quality Director, North America
Valeo Inc. d/b/a Valeo Service USA
150 Stephenson Hwy., Troy, MI 48083

2. Identification of Recalled Items of Equipment

| Generic Name of Item | Part Number | Function | Other Distinguishing Information |
|-----------------------------|--------------------|-----------------|--|
| Cooling Fan Module Assembly | 696121 | Engine Cooling | Replacement assembly for MY 2000-2003 BMW 5-Series gas engine sedan |
| Cooling Fan Module Assembly | 696273 | Engine Cooling | Replacement assembly for: MY 2004-2009 BMW 5-Series gas engine sedan; MY 2004-2005 BMW 6-Series gas engine sedan; and MY 2006-2007 BMW 7-Series gas engine sedan |
| Cooling Fan Module Assembly | 696275 | Engine Cooling | Replacement assembly for: MY 2006-2011 BMW 3-Series gas engine sedan; and MY 2008-2011 1-Series gas engine sedan |

3. Total Number of Items of Equipment Potentially Affected:

| Part Number | Total Number Potentially Affected by Recall |
|-------------|---|
| 696121 | 483 |
| 696273 | 72 |
| 696275 | 30 |
| Total | 585 |

4. Percentage of Items of Equipment Estimated to Actually Contain Defect:

Unknown

Description of How the Recall Population Was Determined:

Valeo is recalling all affected parts (Part Nos. 696121, 696273, 696275) imported from King Shing.

5. Description of the Defect:

The fabricating manufacturer of the engine cooling fan module assembly reported that a metal-oxide semiconductor may overheat due to insufficient screwing of the semiconductor on the aluminum heat sink. This primary failure could cause adjacent components on the fan assembly motor circuit board to overheat and short. This condition could cause the fan motor to become inoperative, or cause the motor circuit board in the assembly to overheat, potentially leading to a thermal event or fire in the engine compartment.

6. Chronology of Principal Events:

July 11, 2012: Valeo became aware of a report of two fan assemblies, Part No. 696275, from an installer in Oak Park, Michigan. According to the installer, the fan assemblies overheated, causing thermal events in the engine compartments of two 3-Series BMW vehicles.

July 17, 2012: Valeo inspected one of the vehicles. The fan assembly motor was missing, and Valeo could not inspect the remainder of the fan assembly because of the prior thermal event in the engine compartment. Valeo attempted to locate the second vehicle, but could not. Valeo discontinued sales of all fan assemblies purchased from King Shing, and initiated contact with all of its customers to discontinue sales of Part No. 696275 until Valeo could further investigate. During contact with its customers, Valeo became aware of another report that Part No. 696275

installed on a BMW 3-Series vehicle overheated (no damage to vehicle).

- July 20, 2012: Valeo received the fan assembly that was the subject of the July 17 report, Part No. 696275, from its customer for analysis. Valeo also tested a new product (P/N 696275) and this part failed a high temperature test.
- July 24, 2012: Both parts that were inspected on July 20 were analyzed visually. Analysis of one of the parts revealed that a lead frame was touching an electrolytic capacitor, which resulted in a short.
- July 26, 2012: Valeo performed dimensional analysis on 10 stock samples to determine whether they contained the same condition identified on one of the parts during the July 24 analysis. No interference issue was detected.
- July 27, 2012: Valeo became aware of a report of overheating involving a different part number, Part No. 696273, installed on a BMW 5-Series vehicle.
- July 31, 2012: Valeo contacted all of its customers and advised them to discontinue sales of Part Nos. 696121 and 696273 from King Shing. (They had previously been told on July 17 to discontinue sales of Part No. 696275). Valeo instructed its customers to return all parts to Valeo for reimbursement. Valeo also instructed its customers to call purchasers of the fan assemblies and to return them.
- August 6, 2012: Valeo sent both parts that were inspected and analyzed on July 20 and 24 to the fabricating manufacturer, King Shing, for analysis. King Shing reported that the parts had overheated because of insufficient screwing of the metal-oxide semiconductor on the aluminum heat sink.

7. Description of Corrective Repair Action:

Valeo will replace the subject engine cooling fan assemblies at no charge to the customer. All affected wholesale distributors, dealers, installers, and other customers will receive written notification instructions. Valeo will also work with its distributor/retailer customers in an effort to identify and notify end users.

Reimbursement Plan for Pre-Notification Remedies

The owner letter will instruct vehicle owners who have paid to have this condition remedied prior to this campaign to seek reimbursement from Valeo.

8. Distributor/Dealer Notification Schedule:

Valeo's draft Part 577 notice and dealer communications will be submitted very shortly. Valeo is prepared to proceed with its customer and dealer notification programs within two weeks after NHTSA's review and approval of these communications.