



## VOLKSWAGEN DEALERSHIP COMMUNICATION

To: **Dealer Principals and General Managers**

Jonathan Browning Name

President Title

Subject: **2012 / 2013 Beetle Windows**

VW Brand Department

September 6 , 2012 Date

Following extensive technical analysis and testing, we are pleased to announce a permanent solution has been developed for the Beetle window issue that has affected 2012 / 2013 models. The repair takes approximately 2 - 3 hours to complete.

We are working closely with suppliers to accelerate the incoming pipeline of replacement parts and we have established the following priority sequence for repairs:

1. Customer vehicles which are known to have experienced a failure.
2. Unsold vehicles in dealership inventory and at the Ports.
3. A general service action on all 2012 / 2013 Beetles for customers who have not experienced a window failure.

While we wait for a sufficient number of parts to become available, Customer CARE will begin making proactive outbound calls to schedule customer appointments for a small subset of customers. These customers will be selected based upon population of affected vehicles and dealership locations, which will enable us to immediately assist higher volume areas. You will be informed of these appointments in advance of the customer arriving at your dealership. Shipment of parts will also be arranged in advance of this appointment.

Once we have sufficient part stock, Customer CARE will begin making outbound calls to all customers with VTA tickets established, to direct them to your dealership for repair. Moving forward, we ask that you continue to create a VTA ticket for any new customer following the procedure in Service Information number VSS-12-03.

We encourage open communication with customers. It is important they understand a repair is available and that we are in the process of allocating parts. We are committed to making this as convenient as possible for customers.

In the near future we expect to begin the general service action to update vehicles for Beetle customers which have not experienced a window failure, as well as your dealership stock. In the interim, we will provide you with regular updates on the supply of incoming replacement parts.

### **Customer Reassurance Plan:**

We recognize the window issue was a significant annoyance to Beetle customers. To ensure we make this point with those affected customers, it's very important that we exceed their expectations and not cause further inconvenience with this repair. To help achieve this, we have developed a four point Customer Reassurance Plan:

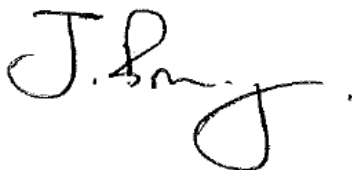
1. Each customer who has experienced a window failure will receive a letter that includes an apology for their inconvenience, along with a \$50 Branded gift card as a token of our commitment to a positive customer experience.
2. We will pay dealerships \$50 to pick up and deliver a customer's vehicle if they request this service when their repair is scheduled to be completed.
3. When customers request a Loaner vehicle while the Beetle is being repaired, dealerships will be reimbursed at the current policy rates.
4. Dealerships will be reimbursed \$30 to wash and vacuum the customer's car after the repair is performed.

We believe this comprehensive plan will provide dealerships with the opportunity to exceed your customers' expectations, even in this challenging situation. **Please note:** this Customer Reassurance Plan applies only to customers who experienced a window failure and it will not apply for the future service action when we update vehicles for customers who did not experience the window failure.

We firmly acknowledge that the Beetle window issue endured for far too long without a permanent solution. Sometimes it's the seemingly insignificant problems that actually prove to be largest engineering challenges. Regardless; we now have the opportunity to execute a high quality recovery experience with these customers and to reinforce the fact that they made the right decision to buy a Volkswagen. We ask each dealership for your extra efforts to make this repair experience truly special for your customers.

Lastly, I would like to thank you and your team for your patience and understanding as we developed this technical solution. We are grateful for your continued support.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Browning". The signature is fluid and cursive, with a prominent initial "J" and a long, sweeping underline.

Jonathan Browning