

Please distribute to:

Dealer Principal, Warranty Manager, Service Manager, Parts Manager, Sales Manager

☒ Freightliner Dealers	☒ Thomas Built Bus Dealers	☒ Sales Terms (DTR)
☒ Western Star Dealers	☐ Direct Warranty Customers	☒ Used Product (DTR)
☒ Sterling Dealers	☐ Export	☒ Travel Centers of America/Petro:Lube
☒ FCCC Dealers	☒ DDC Distributors	

IMPORTANT WARRANTY INFORMATION

REF 16-017

Effective 05/01/2016

Release 05/02/2016

SUBJECT Updated New Vehicle Warranty and Extended Coverage Freight Policy

❖ Freight Policy Update

This letter supersedes all previous Important Warranty Information (IWI) letters regarding freight policies. Content highlighted below in yellow indicates a modification to the original freight program, introduced in IWI letter 12-045.

In 2013, DTNA, in collaboration with the Joint Application Development (JAD) Committee, implemented a new program for new vehicle warranty and extended coverage freight. Specifically, the program established a process to quickly receive parts needed to complete warrantable repairs, without incurring expedited freight charges, for failures occurring within the new vehicle warranty or extended coverage period.

To qualify for the expedited freight program, specific requirements relating to parts ordering, freight selection, and claim filing must be met. Since the implementation of this program, approximately **two-thirds of orders placed have NOT** met the requirements of the expedited freight program. To date, these ineligible freight charges have been absorbed by DTNA, not charged back as stated in the 2012 IWI letter.

Effective for orders placed on or after May 1, 2016, dealers will be debited the freight charges for parts ordered under the expedited program if all requirements are not met.

Please be aware that claims filed outside the time frames provided in the DTNA Warranty Manual will have freight charged back. In addition, any claim that is denied or charged back will also have associated freight costs charged back to the repair facility.

Please note that the program is for expedited freight; it is **not** a guaranteed overnight shipping program. A combination of less than truck load (LTL), FedEx, and UPS shipping methods will be utilized to ship orders as fast as possible; see the *Freight Selection Guidelines* section below for additional information.

❖ Entering Orders in Paragon

All warranty-related orders requiring shipping outside the normal stock order process must be placed as a *Warranty* type order in Paragon. *Warranty* type orders must be placed per vehicle. When ordering, the six (6) digit serial number of the vehicle must be entered in the *Order Reference Text* field in Paragon. Vehicle serial numbers will be used to match claims to part order requests; the serial number listed in the *Order Reference Text* field must match the truck serial number used for the claim. Do not enter more than one (1) serial number per order. Orders placed with content other than a six (6) digit vehicle serial number in the *Order Reference Text* field in Paragon will be charged back. See the table below for examples of correct and incorrect *Order Reference Text* field entries.

Correct Order Reference Text Field Data	Incorrect Order Reference Text Field Data	
• FMxxxx • GExxxx	• VIN#FMxxx • VIN FMxxx • Entire 16-digit VIN	• Eng. Ser#47193... • RO 12345 • CBUS

IMPORTANT WARRANTY INFORMATION LETTER

Verify latest version online: Important Warranty Information Letters are available at DTNAConnect > Warranty Lit > Warranty Letters

DISCLAIMER: The information contained in this letter supersedes and supplements any related policies and procedures in the Warranty Manual and/or previously released letters. Failure to read or distribute this letter will not exempt addressees from compliance with the information contained herein.

❖ Freight Selection Guidelines

In circumstances when a customer or repair facility opts for faster shipping outside this program (e.g., heavyweight air freight), the repair facility must order the part as *Critical* in Paragon, not *Warranty*. The customer/repair facility will be responsible for all freight charges incurred as those freight charges will not be reimbursable under the expedited freight program.

All *Warranty* type orders will set to *Order in Process* status and be reviewed by the Parts Order Expedite (POE) team at the time of order to confirm the best method of shipment available under the expedited program. An order with multiple line items may be consolidated to fill from the fewest number of Parts Distribution Centers (PDCs); due to PDC cutoff times, this could result in a one (1) day shipping delay. In some instances, the PDC may combine the *Warranty* type part with the next stock order or include that part in a Direct Delivery Shipping (DDS) or a Rapid Referral program shipment. Please be aware that:

- FedEx Priority Overnight orders will be changed to FedEx Standard Overnight
- LTL Carriers:
 - o U.S. and Canadian dealers: Requests for a specific LTL carrier will be changed to *Motor Freight*
 - o Canadian dealers: LTL carriers selected as *Collect* will NOT be changed to *Motor Freight* and the carrier's bill will not be reimbursed; freight is billed directly to the dealer
 - o For orders filling from a PDC: Dealer's default stock order LTL carrier will be used
 - o For drop ship purchase orders (POs): LTL carrier is determined based on the carrier zones from vendor to dealer that have been established by DTNA's Material Planning Department
 - o ABF TimekeeperEXP is allowed ONLY for miscellaneous oversized/heavy parts that require faster service but cannot ship via air
 - Exception: Engines and frame rails will only ship via standard LTL carrier due to excessive size and weight.
 - o If the customer or repair facility wishes to use a specific LTL carrier, order the part as *Critical* in Paragon, not *Warranty* type. The customer or repair facility will be responsible for all freight charges incurred; these freight charges will not be reimbursable under the expedited freight program.

❖ Stock Items

Refer to the [Warranty Manual](#) > *New Vehicle Warranty* > *Warranty Statement* > *Exclusions* for the complete list of items not covered under warranty and therefore, ineligible for this freight program. The following items are not eligible for this program as they are considered normal stock items or warranty excluded:

- Batteries
- Fasteners, nuts, bolts
- General housekeeping supplies

Repair facilities are expected to maintain the recommended parts stock level or greater. Warranty claims and repair facility stock level ratios will be monitored on a regular basis. Repair facilities that fall below the established recommended parts stocking level are subject to penalty. Stock ratio calculations will not include facing PDC outages.

❖ Heavy/ Oversized Items

Heavy and oversized items are excluded from air freight under this program, such as:

- Engines
- Engine blocks
- Axle assemblies
- Transmissions
- Hoods
- Body Panels
- Frame Rails
- Any part that is greater than 120 lbs. or requiring shipment via pallet
- Parts required for significant repairs if the remaining repair labor time extends beyond an additional 24 hours

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❖ Ordering Parts From An Authorized Facility in the Network

If the customer or repair facility chooses to receive a heavy/oversized item by air freight, order the part as *Critical* in Paragon. The customer/repair facility will be responsible for all freight charges incurred; these freight charges will not be reimbursable under the expedited freight program.

Check Paragon prior to placing any warranty-related part orders. If Paragon indicates zero (0) stock in all PDCs, the repair facility in need can check stock availability at other authorized repair facilities in the service network via OEConnection. When genuine DTNA parts are located within the service network and ordered, DTNA will reimburse for the acquisition price and freight; handling costs will not be reimbursed.

For reimbursement, please do the following:

- If already placed, immediately cancel the PDC *Warranty* type order
- Enter part and freight charges in the *Other Charges* section of the claim

Sample OWL claim:

Claim	Failure	Parts	Labor	Other Charges	Location	Payment	Charge Back	Attachments
Charges								
Expense Type	Description	Invoice #	Invoice Date	Claimed	Processed	Supporting Documentation		
☐ PARTS	12-34567-000	ABC123	12/21/2012	150.00	0.00	ATTACHED		
☐ FREIGHT	Freight	ABC123	12/21/2012	20.00	0.00	ATTACHED		

Sample Detroit claim:

NET ITEMS							
Net Item	Description	Reqstd US\$	Reduced To US\$	Allowed US\$	Appr	Deny	Dis
F	FREIGHT	20.00		20.00	☒	☐	☐

- An invoice displaying freight charges **and** a screenshot from Paragon showing zero (0) stock levels in all PDCs must be attached to the claim

Sample Paragon screenshot showing no PDC availability:

PDC	Available	Block	Reserved	Stock on
FL02-Memphis PDC	0	0	0	0
FL07-Chicago PDC	0	0	0	0
FL20-Atlanta PDC	0	0	0	0
FL24-BRIDGEPORT PDC	0	0	0	0
FL27-TORONTO PDC	0	0	0	0
FL43-Reno PDC	0	0	0	0
FL52-Calgary PDC	0	0	0	0
SUM	0	0	0	0

(Red outlines are for illustration purposes in this letter to show important elements; not required on claim attachments.)

If Paragon shows zero (0) stock in all PDCs and OEConnection shows no availability from another DTNA repair facility, continue to place the *Warranty* type order through Paragon. The part will be expedited following standard *Warranty* type order procedures.

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