Statement of Clarence Ditlow, Executive Director Center for Auto Safety before the California Department of Insurance on CDI Regulation File: Reg-2011-00024 August 9, 2012

I am Clarence Ditlow, Executive Director of the Center for Auto Safety (CAS). The Center is consumer group founded by Ralph Nader and Consumers Union in 1970 to be a voice for consumers on auto safety, reliability, and efficiency. CAS has been independent of its founders since 1973. Although CAS is most well know for its work to get airbags in every car and lemon laws in every state including testifying in support of Sally Tanner's seminal lemon law here in California, we have worked on crash repairs and crash parts since our founding because of the economic cost to consumers. As part of this statement I am submitting for your consideration and the record a longer statement, "Auto Industry Crash Parts Monopoly Hits The Consumer Pocketbook & Fails to Deliver Quality."

The Insurance Department is to be commended for addressing the issue of crash parts but the underlying assumption of the proposed regulation that OEM parts are superior to all aftermarket parts is simply wrong as documented in the attached statement. The only area where OEM crash parts exceed aftermarket parts is price which bears no relation to quality or content but rather to market power. Congressional hearing after Congressional hearing and FTC investigation after FTC investigation have documented the excessive prices of OEM crash parts but have to deliver a mechanism to lower the monopoly prices of OEM crash parts that cost consumers billions every year.

As millions of recalled crash parts show, only OEM parts have been recalled for safety defects. As the iron contaminated Ford aluminum crash parts show, OE crash parts have defects that can cost consumers thousands of dollars per vehicle to repair. As Intertek as demonstrated in its Vehicle Test Fit Program where it buys OEM crash parts and attempts to place them on vehicles, some OEM parts have defects such as missing bolt holes and welds, fasteners on the wrong side and jagged cut outs. See Table below for exemplary OE part defects. In view of the demonstrated problems with the quality, safety, fit, and performance of OE crash parts, CAS recommends an

additional provision be added similar to  $\S$  2695.8(g)(2) to make the insurer pay the cost of any modifications, inspections and tests to the parts to effect the repair.

| Make,Model         | Application  | Originated       | Problem                  | Comments           |
|--------------------|--------------|------------------|--------------------------|--------------------|
| Chevrolet Lumina   | Hood         | Vehicle Test fit | Overlap in Fastener      | GM assembly        |
|                    |              |                  | Areas                    | quality so poor    |
|                    |              |                  |                          | that the shop      |
|                    |              |                  |                          | would have to      |
|                    |              |                  |                          | redrill part, or   |
|                    |              |                  |                          | not be able to     |
|                    |              |                  |                          | mount part.        |
| Dodge Dakota       | Fender       | Vehicle Test fit | Front weldments are no   | ot alike and       |
|                    |              |                  | inconsistent weld locati |                    |
| Toyota Corolla     | RH Fender    | Vehicle Test fit | Variance in mounting p   | ad, one OE has     |
|                    |              |                  | the mounting pad at the  | e rocker panel     |
|                    |              |                  | area and the other doe   | s not              |
| Pontiac Grand Prix | LH Headlamp  | Vehicle Test fit | Poor vacuum metalizin    | g                  |
| 97-03              |              |                  |                          |                    |
| Ford F150 04-08    | R/L Fog Lamp | Vehicle Test fit | Scratches on Reflector   |                    |
| Chevy Colorado 04- | Radiator     | Vehicle Test fit | Fastener on wrong        | Part unuseable     |
| 08                 | Support      |                  | side                     |                    |
| GMC Canyon 04-08   | Radiator     | Vehicle Test fit | Fastener on wrong        | Part unuseable     |
|                    | Support      |                  | side                     |                    |
| Chrysler 300 05-08 | L Fender     | Vehicle Test fit | Fender holes missing f   | rom upper          |
|                    |              |                  | mounting flange          | L                  |
| Pontiac Grand Prix | Hood         | Vehicle Test fit | Louver Cutouts have      | Sharp edges,       |
| 89-93              |              |                  | agged edges, which       | inconsistent       |
|                    |              |                  | do not allow the         | cut, corrosive     |
|                    |              |                  | ouvers to go in the      | seal broken        |
|                    |              |                  | areas.                   | and associated     |
|                    |              |                  |                          | GM part will       |
| -                  |              |                  |                          | not fit opening    |
| Chevrolet Malibu   | RH Fender    | Vehicle Test fit | Not welded at the uppe   | r mounting rail    |
| Buick Regal 1996   | Hood         | Vehicle Test fit | Overlap fasteners,       | Bolts will not fit |
|                    |              |                  |                          | without rework.    |

Table - Defects in OEM Crash Parts, Intertek Group

When it comes to aftermarket parts, there are two types - those which are certified under a rigorous standards and test program and those which are not certified or which are certified without a rigorous standards and test program. At present, only the Certified Auto Parts Association (CAPA) has a rigorous standards and test program. In comparative blind tests run by the independent

Collision Industry Conference (CIC), CAPA parts so consistently outperformed OEM crash parts in fit and finish that CIC stopped running the blind tests.

The proposed regulation in § 2695.8(g) uses OEM parts as a standard against which aftermarket parts are to be measured in terms of like kind, quality, safety, fit, and performance. That creates a dilemma if the OE part is a recalled part, an aluminum hood with iron contamination or a defective part. One of the biggest recalls of all time was 6.7 million 1965-69 Chevrolets in 1971 for engine mounts that did not have an interlock. Some aftermarket parts suppliers faithfully supplied the non-interlocking engine mount so it was of like kind, quality, safety, fit, and performance as the OE part but it wasn't safe either.

But the Center's biggest concern is with the failure to distinguish between rigorously certified and non-certified crash parts. The proposed regulation creates an incentive for insurers to use noncertified crash parts or non-rigorous certification crash parts because those parts will not create the actual or implied knowledge in the insurer that those parts do not have like kind, quality, safety, fit, and performance as a OE part, assuming it's a good OE part. Thus the reimbursement and replacement provision of § 2695.8(g)(9) or the stop use provision of § 2695.8(g)(7) will never come into play for non-certified or paper only certified crash parts.

Ironically, CAPA has exactly the type of program in place that the Department wants - one that aggressively goes after bad parts, stops their production and recalls them. The CAPA program would create actual knowledge that would trigger § 2695.8(g)(9) and § 2695.8(g)(7). The proposed regulation creates an incentive for an insurer to specify a non-certified crash part or a crash part certified in name only to avoid creating actual or implied knowledge under the proposed regulation.

More and more aftermarket parts are being imported into the US which are both unsafe and not of like kind, quality, safety, fit, and performance as even a poor quality OE part. NHTSA is struggling to catch up with their import but can't do so. See "Recalls of Chinese Auto Parts Are A Mounting Concern," NY Times, December 19, 2008. The proposed regulation would have the inadvertent and unintended effect of driving the market toward the use of poorer quality crash parts.

The Center recommends withdrawing and reworking the Proposed Regulation for it will do more harm than good for the one million Californians facing collisions repairs every year.

#### Auto Industry Crash Parts Monopoly Hits The Consumer Pocketbook & Fails to Deliver Quality

## Introduction

Until the 1930's, there was tremendous competition in all aspects of automobile manufacturing in this country. Not only were there dozens of automobile companies competing with each other but also the auto makers relied on independent companies to supply parts for the vehicles they assembled. In the early days, independent companies made all crash parts, both original equipment and aftermarket. Consumers benefited because auto makers could not set monopoly prices on either crash parts or cars. But as the industry grew, the auto makers not only became fewer but also they absorbed the independent parts makers and gained monopoly power over crash parts as well as cars.<sup>1</sup>

The domestic auto companies used the annual style change to consolidate their market power and prevent new companies from entered the auto market by changing exterior parts like fenders, hoods and grills on every model, every year. This made it prohibitively expensive for independent companies to make crash parts because they would have to spend millions of dollars every year to buy new tools and dies to make the annually changed fenders, hoods and grills for each model.

#### Federal Trade Commission Actions

During the 1960s and 1970s, the Federal Trade Commission ("FTC") undertook three separate investigations into the cost of automobile crash parts. The FTC has expressly recognized that, absent competition from non-OEM manufacturers, automobile manufacturers have "unfettered pricing discretion" because they have 100 percent market share over new crash parts.<sup>2</sup> At congressional oversight hearings in 1976, Owen M. Johnson, Jr., then Director of the FTC's Bureau of Competition, testified about the agency's actions and told the Senate Committee on Commerce:

In November 1971 the Commission's task force concluded that the underlying competitive

<sup>&</sup>lt;sup>1</sup> Bradford C. Snell, *Annual Style Change in the Automobile Industry as an Unfair Method of Competition*, 80 Yale Law Journal 567-613 (1971).

<sup>&</sup>lt;sup>2</sup> See In The Matter Of General Motors Corp., 99 F.T.C. 464, 584 (1982).

problems in the "crash parts" aftermarket derived from the monopoly power possessed by the automobile manufacturers, that each vehicle manufacturer possessed a de facto monopoly in the manufacture, sale, and distribution of such parts, and that there was every indication that these monopolies had been maintained by the affirmative acts and practices of the vehicle manufacturers.<sup>3</sup>

Although the FTC found that consumers paid far too much for crash parts but was unable to come up with a remedy. When the FTC forced auto makers to sell crash parts at wholesale through their franchised new car dealers to independent body shops, auto makers just raised the price of crash parts to cover the difference.

#### Demise of the Annual Style Change

In the late 1970's and the early 1980's, the annual style change went the way of the dodo birds as competition from foreign auto companies which did not change their fenders every year forced the rest of the industry to follow suit. Now not only does the fender of a Ford Taurus stay the same for years but it also fits the fender of a Mercury Sable. The demise of the annual style change made it economical for companies to invest in the tools and dies necessary to make crash parts because the model runs for similar parts were bigger and longer.

Beginning in the early 1980's, independent suppliers began making aftermarket crash parts for all most automobiles. Although the total aftermarket (called non-OEM versus OEM for original equipment manufacturer parts) parts share was less than 15%, the impact on parts prices was dramatic. Where a competitive non-OEM crash part came into the market place, the price of the OEM part fell by 30% or more to meet the new competition.

Based on our experience with Japanese cars that entered the domestic market in the mid-1970's we anticipated that the domestic auto makers would attack the non-OEM crash parts just like they had attacked the Japanese auto imports. When Japanese cars first arrived in the US market,

<sup>&</sup>lt;sup>3</sup> Cost of Automobile Crash Parts: Hearings Before Subcomm. for Consumers of the Senate Commerce Comm., 94th Cong., 2d Sess. at 5-7 (1976) ("Crash Parts Hearings").

Detroit auto makers called them Japanese tin just like they now call crash parts made in Taiwan, imitation crash parts. Both campaigns against imports had a single purpose – i.e., to protect the monopoly profits of the auto makers.

Having lost the battle to protect their monopoly in selling cars, the domestic auto makers redoubled their efforts to protect their monopoly profits in aftermarket parts. Ironically, they have been joined by the foreign automakers who also share the benefits of monopoly pricing in crash parts if aftermarket parts can be excluded from the market. The only reason a 5-pound plastic bumper facia that costs less than \$50 to make can be sold for \$300 is if there is only one supplier, the auto company be it GM, Ford, Toyota or Honda.

#### Myth of the Perfect OEM Crash Part

Analysis of OEM crash parts show that they are anything but perfect. In 1975, the Automotive Service Councils, Inc. (ASC) brought OE Ford, GM, Toyota and Chrysler crash to a Senate hearing to demonstrate that they had damage and imperfections that had to be worked out before they could installed on vehicles in crash repairs. Donald Randall, Washington Counsel for ASC, testifed that it cost more in labor to straighten out a Toyota fender before it could be installed on the than the repair shop made on the crash part "on this item which sells for \$84.84, my people made a total profit of \$10. But they had to put more than \$10 in effort in it to straighten the part before they can use it."<sup>4</sup>

Today's OEM crash parts still have problems. The following chart details OEM crash with the listed deficiencies that would make them unuseable for crash repairs or would require extensive rework by the collision repairer to make them fit. Intertek Group bought these crash parts as part of vehicle test fit (VTF) program on models that they were designed to fit or as part of a material test program for the part.

<sup>&</sup>lt;sup>4</sup> *Automobile Crash Parts:* Hearings Before Subcomm. for Consumers of the Senate Commerce Comm. 94<sup>th</sup> Cong., 2<sup>nd</sup> Sess. at 64 (March 1, 1976).

| Make,Model         | Application | Originated       | Problem                    | Comments           |
|--------------------|-------------|------------------|----------------------------|--------------------|
| Chevrolet Lumina   | Hood        | Vehicle Test fit | Overlap in Fastener        | GM assembly        |
|                    |             |                  | Areas                      | quality so poor    |
|                    |             |                  |                            | that the shop      |
|                    |             |                  |                            | would have to      |
|                    |             |                  |                            | redrill part, or   |
|                    |             |                  |                            | not be able to     |
|                    |             |                  |                            | mount part.        |
| Dodge Dakota       | Fender      | Vehicle Test fit | Front weldments are no     | ot alike and       |
|                    |             |                  | inconsistent weld location |                    |
| Toyota Corolla     | RH Fender   | Vehicle Test fit | Variance in mounting pa    | ad, one OE has     |
|                    |             |                  | the mounting pad at the    | e rocker panel     |
|                    |             |                  | area and the other does    | s not              |
| Pontiac Grand Prix | LH Headlamp | Vehicle Test fit | Poor vacuum metalizing     | 9                  |
| 97-03              |             |                  |                            |                    |
| Ford F150 04-08    |             | Vehicle Test fit | Scratches on Reflector     |                    |
| Chevy Colorado 04- | Radiator    | Vehicle Test fit | Fastener on wrong          | Part unuseable     |
| 08                 | Support     |                  | side                       |                    |
| GMC Canyon 04-08   | Radiator    | Vehicle Test fit | Fastener on wrong          | Part unuseable     |
|                    | Support     |                  | side                       |                    |
| Chrysler 300 05-08 | L Fender    | Vehicle Test fit | Fender holes missing fr    | om upper           |
| Dontion Crond Driv | Head        | Vehicle Test fit | mounting flange            |                    |
| Pontiac Grand Prix | Hood        | venicie Test III |                            | Sharp edges,       |
| 89-93              |             |                  | agged edges, which         | inconsistent       |
|                    |             |                  | do not allow the           | cut, corrosive     |
|                    |             |                  | louvers to go in the       | seal broken        |
|                    |             |                  | areas.                     | and associated     |
|                    |             |                  |                            | GM part will       |
|                    |             |                  |                            | not fit opening    |
| Chevrolet Malibu   | RH Fender   | Vehicle Test fit | Not welded at the uppe     | r mounting rail    |
| Buick Regal 1996   | Hood        | Vehicle Test fit | Overlap fasteners,         | Bolts will not fit |
|                    |             |                  |                            | without rework.    |
| Chevrolet S10      | LH Fender   | Material Testing | Fender holes missing fr    | om upper           |
|                    |             |                  | mounting flange            |                    |

Another indicator that OEM crash parts have quality problem and do not fit every time Comparision test run by the Collision Industry Conference (CIC) between OEM crash parts and Certified Auto Parts Association (CAPA) crash parts demonstrate OEM crash parts are not the best in the part. In 2000 to 2001, CIC ran blind tests for fit and finish by installing crash parts on vehicles with the brand concealed by tape. The CAPA parts consistently out performed OEM crash parts.

In addition to hood recalls discussed below, specific OEM crash part defects show up in CAS consumer complaints and documented by manufacturer Technical Service Bulletins (TSBs). A classic example is the iron contaminated aluminum body parts such as fenders and hoods on 2000-04 Crown Victoria, Taurus, Expedition, F-150, Ranger; Mercury Grand Marquis, Sable; Lincoln LS, Town Car Navigator and the 2000-05 Explorer, Mercury Mountaineer. According to Ford TSB 04-25-1, issued December 27, 2004 and resissued in 2006. (Attachment A.)"Some vehicles may exhibit a bubbling or blistering under the paint on aluminum body parts. This is due to iron contamination of the aluminum panel. . . . Ford's Scientific Research Laboratory has performed a number of tests on vehicle body parts returned for corrosion related concerns. Testing has revealed that the aluminum corrosion was caused by iron particles working their way into the aluminum body part, prior to it being painted."

This is a very expensive defect to remedy. The TSB requires "extreme care to be taken" including special tools and segregated work areas to remove the corrosion by blasting, repriming and repainting. This repair is so difficult that CAS recommends the best fix is to replace the corroded part with a primed steel part and paint it. Ford cannot guarantee this repair will eliminate all the iron corrosion or prevent other areas from bubbling or blistering in the future. Attachment C is just a sample of the over 200 consumer complaints that CAS has received on this costly OEM part defect.

#### Auto Company Efforts to Obtain Intellectual Property Protection for Crash Parts

Since the mid-1950s, manufacturers have urged passage of federal "industrial design" legislation which would confer copyright-like protection for the design and manufacture of both

crash and repair parts of automobiles.<sup>5</sup> <u>After the introduction of non-OEM crash parts into the</u> <u>marketplace in the 1980s, auto companies redoubled their efforts to obtain such protection</u>. Consumer advocates and others testified before Congress in opposition to such legislation. "For decades, auto companies were the exclusive producers and distributors of crash parts. That monopoly power permitted them to price as they pleased. . . . Then, competition emerged in the early 1980s." *Industrial Design Protection: Hearings on H.R. 902, H.R. 3017, and H.R. 3499 Before the Subcomm. on Courts, Intellectual Property, and the Administration of Justice of the House Comm. on the Judiciary*, 101st Cong., 2d Sess. 110 (1990) ("1990 Hearings").<sup>6</sup> Members of Congress, in turn, recognized that absent meaningful competition, OEM manufacturers "will have the power to dictate the price of repair parts."<sup>7</sup>

Extensive hearings were held in the Senate in 1987 on S. 791, and in the House of Representatives in 1988 on H.R. 1179, in 1990 on H.R. 902, 3017, and 3499, and in 1992 on H.R. 1790.<sup>8</sup> The proposed industrial design legislation would have conferred ten years of

<sup>&</sup>lt;sup>5</sup> Cost Comparison, OEM vs. Non-OEM (Aftermarket) Parts, Alliance of American Insurers, 1999.

<sup>&</sup>lt;sup>6</sup> (Statement of Clarence Ditlow, Executive Director of the Center for Auto Safety) *See also* 1990 Hearings at 357 (statement of Richard F. Turney, Washington Representative, Automotive Service Industry Association); *id.* at 400 (statement of Donald A. Randall, Washington Representative of the Automotive Service Association).

<sup>&</sup>lt;sup>7</sup> H.R. 1790 Hearing at 44-45 (statement of Congressman Paul E. Kanjorski); *see also* Crash Parts Hearings at 2 (statement of Senator Frank E. Moss, Chairman, Senate Subcommittee for Consumers) (stating that the crash parts industry "is generally considered to be a monopoly industry."); 1990 Hearings at 373 (statement of Julian C. Morris, President, President of the Automotive Parts and Accessories Association, Inc.) ("A strong, competitive automotive aftermarket has been a major benefit to the driving public in the United States for decades.").

<sup>&</sup>lt;sup>8</sup>Hearings on S. 791 Before the Subcomm.on Patents, Copyright and Trademarks of the Senate Judiciary Comm., 100th Cong., 1st Sess., March 26, 1987; Hearings on H.R. 1179, Before the Subcomm. on Courts, Civil Liberties and the Administration of Justice of the House Judiciary Comm., 100th Cong., 2d Sess., June 23, 1988; Hearings on H.R. 902, H.R. 3017, H.R. 3499, Before the Subcomm.on Courts, Intellectual Property and the Administration of Justice of the House Judiciary Comm., 101st Cong., 2d Sess., May 3, June 20 and Sept. 27, 1990; Hearings on H.R. 1790 Before the Subcomm.on Intellectual Property and Judicial Administration of the House Judiciary Comm., 102d Cong., 2d Sess., June 29, 1992. Design Innovation and Technology Act of 1991: Hearing Before the Subcommittee on Intellectual Property and Judicial Administration of Committee of the Judiciary, House of Representatives, 102d Cong., 2d Sess. 122-23 (1992) (statement of Mark Silbergeld, Director, Washington Office of Consumers Union); see also Claude E. Barfield and Cynthia A. Beltz, Industrial Design Protection and Automobile

protection on crash parts and other common consumer products. Such legislation would have created a broad new design right and would have been a marked departure from our country's traditional intellectual property law principles. It would have eliminated all competition in the production of crash parts, resulting in substantial increases in prices. The Alliance of American Insurers studied the price differences between OEM crash parts and non-OEM crash parts for thirteen different 1994 through 1999 models and found OEMs charged an average of 60% more than distributors selling non-OEM crash parts.

As a consumer organization which often takes on not only the auto companies but also the auto insurers, CAS wants to make sure consumers get not only the benefits of lowered price aftermarket parts but also high quality. After the FTC efforts to curtail the monopoly in crash parts failed, CAS supported independent certification of all crash parts, both original equipment and aftermarket, as the best way to provide consumers with both quality and economy in crash parts.

Different sources of aftermarket parts provide differing quality levels. Car company parts are also of varying quality. It is important for insurers, repairers and especially consumers, to know that the crash parts being installed on their vehicle meet sufficient quality standards. In order to insure that parts installed are of high quality, they need to be certified.

Body shop repair fraud where parts or labor specified on an estimate or invoice are not used or done is virtually undetectable to the consumer whose vehicle is repaired. Consumers simply cannot tell what part is under the paint after their vehicles have been repaired. Where CAS has received complaints from consumers about body shop fraud, it is almost always from vehicle owners who had their vehicles repaired at franchised auto dealers and discovered that aftermarket or reworked parts had been put on their vehicles instead of OEM parts only when

<sup>&</sup>lt;u>Repair Parts: Balancing Competition and Monopoly at Home and Abroad</u> 49-69 (Feb. 23, 1990) (available through the American Enterprise Institute, Washington DC).

their vehicles went in for a subsequent repair or were inspected on resale. Then they were told that cheaper reworked parts or aftermarket parts had been put on instead of the OEM parts called for in the repair estimate. Franchised auto dealers are no exceptions to this fraud. One consumer got so incensed over a Ford dealer substituting used parts for OEM parts on his new Thunderbird that he set up a website dedicated to criticizing crash parts switching at the dealer.

#### California Crash Repairs

The number of crash repairs done every year is astronomical. According to the National Highway Traffic Safety Administration (NHTSA), there were 9,640,000 passenger vehicles involved in just police reported crashes in 2009. (*Traffic Safety Facts 2009*, HS 811 402, Table 36.) Many property damage only crashes are not reported to the police so the actual number of crashed vehicles is well over 10 million annually. As a personal example, my Prizm was struck by a truck while parked and suffered over \$7,000 in body damage only. There was no police report because the car was parked when struck. When consumers get involved in minor crashes, they often exchange personal information and move on. Since at least 10% of all crashes occur in California, there are over one million vehicles involved in crashes in California every year – nearly 3,000 every single day. Crash repairs are truly a big business in the Golden State.

In June of 2003 in response to a mandate from the Assembly, the California Bureau of Automotive Repair completed a study of auto body crash repairs by inspecting vehicles from around California. BAR's inspections showed that 42% of the vehicles inspected had parts or labor listed on the invoice that were not actually supplied or performed. The average repair fraud per vehicle was \$812. Based on a million crashed passenger vehicles, California consumers absorb over \$300 million in auto body shop fraud every year. Recently, the BAR reopened the Auto Body Inspection Program but can only inspect about one out of every thousand vehicle crash repairs done in California each year.

As the BAR Report shows, existing California law and regulations has not made a dent in the rampant body shop crash repair fraud. Section 9884.9 of the Business and Professions Code

already requires body shops to itemize the parts needed to fix the vehicle in a written estimate given to the consumer it is silent as to whether or not the parts were actually installed on the vehicle. Section 9884.8 of the Business and Professions Code requires body shops to give consumers an invoice after the repair but only the price need match the estimate and no specific disclosure is required listing the actual parts installed in the car. Consumers are left not knowing whether they got the actual parts specified in the original estimate.

Since 1997, BAR has had regulations in place that require the invoice to list the actual parts installed in the vehicle and the repair work done. (16 Barclays California Code of Regulations § 3356.) Despite having these regulations in place, BAR found 6 years later in 2003 that the level of body shop fraud was 42% with an average fraud amount of \$812 per vehicle repaired. With nearly 3,000 vehicles repaired each day, BAR simply doesn't have the resources to enforce the law and recover the \$300 million in fraud charges for consumers. Moreover, BAR would need to prove intent to obtain a criminal violation which is difficult to do.

#### NHTSA Regulation of Aftermarket Parts

The National Highway Traffic Safety Administration (NHTSA) polices the safety of all aftermarket parts by ordering recalls where necessary. Although NHTSA has recalled about 3 millions hoods, all these have been OEM hoods. Not a single non-OEM hood has ever been recalled for a safety defect. NHTSA also has the authority to issue safety standards for aftermarket parts if it finds there is a safety need. Examples of aftermarket parts covered by Federal Motor Vehicle Safety Standards (FMVSS) include brake hoses (FMVSS 106), head and tail lights (FMVSS 108), brake fluid (FMVSS 116), emergency and turn signal flashers (FMVSS 108), tires (FMVSS 109), windshields and glazing (FMVSS 205), and seat belts (FMVSS 209). NHTSA has not set safety standards for crash parts like fenders and grills because they are not safety related parts. They are ornamental and are not part of the energy absorbing structure of the vehicle. Their failure is not likely to cause deaths, injuries or accidents which is the touchstone for safety regulation.

Federal recall records show that non-OEM parts are, if anything, better than OEM parts. The most significant crash part in terms of safety is the hood which can fly up if the latch fails or which can penetrate the windshield if it does not crumple properly in a crash. From 1980 to 2007, OEM hoods have been the subject of forty recalls covering 5.9 million vehicles. (Attachment D.) Non-OEM hoods have not been subject to any safety recalls.

#### Center for Auto Safety Actions on Crash Parts

One of our very first projects was to work on reducing the costs to consumers for crash parts generated by the monopoly automobile manufacturers had when they changed every fender on every model every year as part of the annual style change. We met with Brad Snell who wrote the seminal article on the cost of the Annual Style Change to consumers in 1971. Mr. Snell emphasized that auto companies made more money from selling crash parts than selling new cars. From that day forward, CAS worked to increase both competition and quality in crash parts and to break the monopoly of the auto industry.

As a consumer organization which often takes on not only the auto companies but also the auto insurers, CAS wants to make sure consumers get not only the benefits of lowered price aftermarket parts but also high quality. After the FTC efforts to curtail the monopoly in crash parts failed, CAS supported independent certification of all crash parts, both original equipment and aftermarket, as the best way to provide consumers with both quality and economy in crash parts.

# Attachment A

# **ALUMINUM CORROSION - SERVICE TIP**

# **TECHNICAL SERVICE BULLETIN**

Reference Number(s): 04-25-1, Date of Issue: December 27, 2004

FORD: 2000-2004 Crown Victoria, Taurus, Expedition, F-150, Ranger; 2000-2005 Explorer

LINCOLN: 2000-2004 LS, Town Car, Navigator

MERCURY: 2000-2004 Grand Marquis, Sable; 2000-2005 Mountaineer

# DESCRIPTION

ALUMINUM CORROSION - SERVICE TIP

# ISSUE

Some vehicles may exhibit a bubbling or blistering under the paint on aluminum body parts. This is due to iron contamination of the aluminum panel.

# ACTION

This TSB provides service tips and procedures, outlining methods to properly prepare and protea aluminum body parts from cross contamination.

# BACKGROUND

Ford's Scientific Research Laboratory has performed a number of tests on vehicle body parts returned for corrosion related concerns. Testing has revealed that the aluminum corrosion was caused by iron particles working their way into the aluminum body part, prior to it being painted.

# SERVICE TIPS AND PROCEDURE

When repairing **a** vehicle for corrosion or collision damage, it is essential that extreme **care** be taken to cover and protect all aluminum parts to prevent cross metal contamination. Areas in a shop where metal work **is** performed should be sectioned off, using at the very least curtain walls, to prevent metal dust migration. Cross contamination can also occur through the use of metal working tools (hammers, dolly's, picks, grindIng wheels, etc.). Tools used for aluminum repairs should be kept separate, and not used to repair other metals. Wire brushes used on aluminum should be made of stainless steel.

# NOTE: THIS PROCEDURE SHOULD ONLY BE USED ON NON-PERFORATED METAL. REVIEW WARRANTY AND POLICY MANUAL FOR VEHICLE WITH PERFORATED METAL.

# NOTE: READ THIS PROCEDURE COMPLETELY BEFORE PERFORMING ANY SERVICE.

1. Corrosion should be removed by blasting. Use an aggressive blasting material, such as acrylic (salt grain size).

2. Use a DA sander with 180 grit paper backed abrasive. Only sand and featheredge the damaged area.

3. Mix and apply Ford approved epoxy primer, per the manufacturer's label instructions. Bake at  $140^{\circ}$ F (60°C), or use an infrared lamp for curing.

4. If necessary, mix and apply two-part polyester filler to a slight over crown. Allow polyester filler to cure 20-30 minutes, or mix and apply spray polyester filler two-three (2-3) coats as necessary. Allow to cure per manufacturer's label instructions.

5. Hand-sand the repair area with 80 grit sand paper to remove excess filler.

6. Finish-sand the repair area with 400 grit sand paper.

7. Mix and apply Ford approved primer/surfacer per manufacturer's label instructions. Bake at  $140^{\circ}$ F (60°C) or use infrared lamp for curing.

8. Sand the primer/surfacer with 400-600 grit to level the surface.

9. The next two steps are wet-on-wet Mix and apply to hiding Ford recommended basecoat material per manufacturer's label instructions. Allow to flash.

10. Mix and apply two (2) coats (2 mils minimum) of Ford approved clearcoat per manufacturer's label instructions. Allow flash time. Finish bake at  $140^{\circ}$  F ( $60^{\circ}$ C).

# WARRANTY INFORMATION

WARRANTY STATUS: Information Only.

#### Attachment **B**

Mark Gabel 10655 Grey Cloud Trail Cottage Grove, MN 55016 2004 Ford Explorer VIN: 1FMDU74W54ZA92166 **Problem Description:** Paint bubbling on aluminum hood (re Ford tech service bulletin 04-25-1).

I am bringing my Explorer to a body shop to get this repainted. It started bubbling up shortly after I got the vehicle. I thought it was an isolated case...perhaps my hood was touched by an operator with greasy fingers before paint on the assembly line....but just learned that this is a well known and wide spread Ford problem. They should pay my repair cost. In fact, the dealer should have informed me of this years ago because I brought the vehicle in many times for warranty repair and service.

Jim Johnston
4835 so 102nd st.
Omaha, NE 68127
2004 Ford Explorer VIN: 1FMZU73K847A81344
Problem Description: Paint bubbling and peeling on front fenders.

Conrad Leslie 7964 Caminito Dia, No. 1 San Diego, CA 92122 2003 Ford Expedition VIN: 1FMFU15L93LA86687

**Problem Description:** Paint starting bubbling 3 years after the car was new. I thought that this was unusual for a 3 yr old car since I live in San Diego, CA (we are a drought state and we don't salt the roads). I took the car to the dealer and they explained that they could not cover me under the rust insurance since the rust did not break through the paint. I had to pay them to treat the hood and repaint. A couple of year latter the problem starting reappearing in other areas (tail gate) and I had these fixed by a repair facility. Today, when I took the car in for service, the technical noticed that

I had severe rust damage on the roof (underneath the racks). The rust has eaten 100% through the metal and water now leaks into the cab. I investigated on line and noticed that other Ford owners were having the same problem. I noticed that there are some talking about a class action suit. I also discovered the Ford had sent out a Technical Service Bulletin in Dec 2004 regarding that shows that they know that the paint had problems. Apparently it effects models from 2000 to 2004, and it states that this is due to iron contamination of the aluminum panel. It goes on to state that Ford's scientific research lab determined that the corrosion was caused by iron particles working there way into the aluminum body part prior to painting. This appears to be an admission of a factory defect. The tech service bulletin was again reissued in 2006. The dealer said that Ford would not cover my car now since it is over 5 years old. However, they did not take care of it when the car was 3 years old either (stated that it had to break through the metal). I feel ripped off. Ford provided me with a defective product. The cost to fix it according to the dealer (Mossy Ford in San Diego) is approx \$1,100!!!!

Marianne Klemp

14346 N 500 W

Wheatfield, IN 46392

2003 Ford Windstar VIN: 2FMZA50403BA68852

**Problem Description:** I bought a new 2003 Ford Windstar Van. Within the warranty time I had paint bubbling and rusting within the bottom of the doors. It was repainted twice. Unfortunately the warranty expired , and I continued to get more rust on the van. I have had bubbling of the paint up around the fender on the driver rear wheel and lower passenger rear fender. I have been very disappointed in my purchase. I have been informed of a Ford technical service bulletin that shows a major paint defect on many 2000-20005 Ford vehicles regarding bubbling and blistering under the paint due to iron contamination of the aluminum panel. I would greatly appreciate your support and direction in how to correct this problem.

Tanya Serna 171 Mitchell Drive

#### Vine Grove, KY 40175

2004 Ford Expedition VIN: 1FMFU18L84LA60742

**Problem Description:** Bubbling under paint on hood and tailgate. Have contacted Ford on numerous occasions to have fixed. Stated that I was out of the 5 yr corrosion warranty. Have noticed that under the Lemon Law Blog that the 2000-2005 Ford Expeditions showed major paint defects due to using aluminum body parts instead of steel. This should NOT be a Ford owner issue. Ford should recall this models and replace these parts since it was their error. I am having to pay \$1000.00 next month to get my vehicle reprimed and painted. This does NOT guarantee that the bubbling won't come back. I have owned Ford vehicles for over 20 years and am very disappointed in the company and the lack of care they have in handling this paint defect issue.

Bill & Kathleen Bastien
P.O. Box 517
Garden Valley, CA 95633
2001 Ford F-series Super Duty VIN: 1FTSW31F31EC80058
Problem Description: Paint/clear coat has bubbled and peeled on hood and fenders.

Eugene Robey
138 Prospect Drive S.W.
Leesburg, VA 20175
2002 Ford Explorer VIN: 1FMDU73EX2ZC06555
Problem Description: Aluminum hood - corrosion. Dealer advises they are not aware of any

problems with paint. I read your articles and found otherwise. Richard Rieger

3032 Prairie College Sw
Canton, Oh 44706
2003 Ford F-Series VIN: 1FTRF17263NB70583
Problem Description: Ford F150. found paint flaking off under hood. went to dealer and was told

there was a problem at ford when hood was painted but they would only pay half of cost to repair since it is out of warranty. I have a aluminum hood and there was a defect to paint at factory I feel they should pay total cost since this was known by them since 2006.

Mark Forkner 947 Bartlett Ter Libertyville, IL 60048 2003 Ford Expedition VIN: 1FMFU18L03LC12740

**Problem Description:** There is blistering and bubbling of paint on the aluminum body panels specifically the hood, rear lift gate. There is also rust appearing on the rear drivers side and passenger side doors. Ford sent out a Aluminum corrosion service tip on December 27th, 2004 on this issue. The reference number is 04-25-1. They indicate in this service tip that this is due to iron contamination of the aluminum panel.

Erick Johnson 11361 Hearthstone Drive Fishers, IN 46037 2004 Ford Explorer VIN: 1FMZU73W04ZA54853 **Problem Description:** Paint is bubbling and chippin

**Problem Description:** Paint is bubbling and chipping off on the front of the hood. This is on an aluminum hood. The dealership suggests replacing the entire hood at about \$1,200.00

### Attachment C - HOOD RECALLS ARRANGED BY MANUFACTURER (1980 through 2007)

| NHTSA<br>Identification <u>#</u>                              | Date of Company<br>Notification   | Make   | Model  | Model<br>Year  | Number of<br>Vehicles        |
|---|---|--|--|--|------------------------------|
|   |   | CHRY   |  |  |                              |
| 80V-138   | 10-13-80  | Dodge<br>Plymouth  | Omni<br>Horizon  | 1980   | 235,000                      |
| binding due to var  | aign No. 283. Hood seco<br>iations in catch and its m<br>use catch to bind in open<br>airing.)  | ndary catch. DO  | M—8/79-6/80. Ho<br>sembly. Inadequate                          | catch to mounting bas  | se pivot surface             |
| 84V-008   | 1-19-84   | Chrysler<br>Dodge  | Laser<br>Daytona   | 1984   | 2,500                        |
| integrity of hood l   | aign No. 352—Hood Lat<br>atch system attachment t<br>n. (Correct by inspecting  | ch/Panel. DOM-<br>o hood panel. Th                           | —7/83-12/83. Cars<br>nis could result in s                     | eparation of hood pan  | el from latch                |
| secondary hood la<br>lack of engagemen<br>operator's ability  | 5-5-92<br>aign No. 548. DOM- 8<br>tch may be prevented fro<br>to by secondary hood late<br>to see road & oncoming<br>h assembly to properly en                  | om engaging whe<br>ch could cause he<br>traffic, & result i  | en hood is closed.<br>bod to open while<br>n vehicle accident. | If primary hood latch of vehicle is in motion, re                                    | engagement fails,<br>educing |
|   | 3-20-95<br>4-12/94. Secondary hoo<br>use hood to fly up & obs<br>tch bracket.)  |  |  |  |                              |
| 97V-095   | 8-7-97  | Plymouth<br>Dodge  | Breeze<br>Stratus  | 1996-97  | 219,000                      |
| retention hole if h   | aign No. 734Hood. DO<br>ood is slammed shut. If p<br>ect by replacing seconda   | orimary latch doe  | es not engage, hood  | would not be restrain  |                              |
| mechanism to bind<br>by replacing secon<br>Island, Connecticu | 2-7-01<br>aign No. 973. DOM: 7/9<br>d in "release position." I<br>ndary hood latch in salt b<br>it, New York, New Jerse<br>diana, Michigan, Illinois<br>9-10-03 | f primary latch is<br>belt states (Maine<br>y, Pennsylvania, | s not engaged, hoo<br>, New Hampshire,<br>Delaware, Maryla     | d could open unexpect<br>Vermont, Massachuse<br>nd, District of Columb<br>lissouri). | edly. Correct<br>etts, Rhode |
| Mfg. Campa<br>a crack, which cou                              | aign No. C29. DOM: 3/0<br>ild propagate and break,<br>Correct by replacing the  | 03-6/03. Interna<br>allowing primar                          | l hood latch compo<br>y/secondary latch s                      | nent may have been n   | nanufactured with            |
|   |   |  |  |  |                              |

06V-43111-08-06ChryslerSebring20072,258Mfg. Campaign No. F45 - Hood.DOM: 8/06-10/06. Hood latch striker may break and allow hood to openwhile driving resulting in crash without prior warning.(Correct by replacing hood latch strikers.)

| FORD    |         |      |        |         |         |  |  |
|---------|---------|------|--------|---------|---------|--|--|
| 84V-111 | 9-20-84 | Ford | Ranger | 1983-84 | 460,918 |  |  |

| NHTSA            | Date of Company |      |       | Model | Number of |
|------------------|-----------------|------|-------|-------|-----------|
| Identification # | Notification    | Make | Model | Year  | Vehicles  |

DOM—1/82-7/84. Front end was assembled with radiator support in out of tolerance position. Secondary hood catch may not retain hood if primary latch were inadvertently released or failed to catch. Hood could fly up and block driver's view while truck is in motion. (Correct by inspecting and adjusting hood secondary catch as necessary.)

91V-1479-4-91LincolnTown Car199172,000Mfg. Campaign No. 91S40.DOM- 8/90-4/91.Secondary hood latch may not engage when hood is closed.Inevent primary hood latch releases when vehicle is in motion, hood could fly up, obstruct driver's vision, & causevehicle accident.(Correct by installing new hood latch assembly.)

95V-0915-10-95LincolnTown Car1990-91142,800DOM - 7/89-3/91.Corrosion of hood latch striker plate causes detachment of plate from hood assemblyresulting in unexpected opening of hood while vehicle is driven. If this occurs, driver's view of road will be reduced& could result in vehicle accident.(Correct by installing new hood inner panel reinforcement & new, galvanizedhood latch striker plate.)

 95V-151
 8-07-95
 Lincoln
 Town Car
 1991-92
 73,837

 DOM - 04/91-10/91. Secondary hood latch may not engage when hood is closed. If primary hood latch
 releases or is not properly latched when vehicle is in motion, hood could fly up & obstruct operator's vision, resulting in accident. (Correct by replacing hood latch assembly.)

97V-0241-29-97FordCrown Victoria1992-97125,000Mfg. Campaign No. 97S63. DOM - 03/91-10/96.Hood latch striker can wear or become detached from hood.Either condition can result in hood opening without warning while car is in motion impairing driver's visibility.(Correct by installing improved hood latch striker on 1992 model hoods, or revised striker plate attaching fasteners on 1993-97 model hoods.)

| 97V-180 | 10-17-97 | Ford | Windstar | 1995-96 | 769,000 |
|---------|----------|------|----------|---------|---------|
|         |          |      | Mustang  | 1994-96 |         |

Mfg. Campaign No. 97S88. DOM - 01/94-12/95. Tearing of bond between inner & outer hood panels during minor front end collisions can result in gap at leading edge of hood. Air forced between inner & outer panels can produce enough pressure to force outer panel upward, resulting in total separation of outer hood panel. (Correct by inspecting hood area for any damage along leading edge of hood. If there is any evidence of bond separation, hood will be replaced. If there is no evidence of bond separation, additional adhesive will be applied between inner & outer hood panels.)

| 99V-164  | 6-24-99 | Ford    | Explorer    | 1998-99 | 845,000 |  |  |  |
|--|---------|---------|-------------|---------|---------|--|--|--|
|  |         | Mercury | Mountaineer |         |         |  |  |  |
| Mfg. Campaign No. 99S18. DOM: 4/97- 5/99. Secondary hood latch can corrode at latch pivot & stick in               |         |         |             |         |         |  |  |  |
| open position. When primary hood latch is released or not engaged, hood fly-up could occur. (Correct by installing |         |         |             |         |         |  |  |  |
| secondary hood latch with components that are coated prior to assembly to protect against corrosion.)              |         |         |             |         |         |  |  |  |
|  |         |         |             |         |         |  |  |  |

| 00V-394 | 11-16-00 | Ford           | Explorer Sport      | 2000-01 | 137,813 |
|---------|----------|----------------|---------------------|---------|---------|
|         |          |                | Explorer Sport Trac |         |         |
|         |          |                | Ranger Edge 4x2     | 2001    |         |
|         |          |                | Ranger Edge 4x4     |         |         |
|         |          |                | Ranger XLT 4x4      |         |         |
|         |          | DOM 0/00 10/00 |                     | 0       | 1 1     |

Mfg. Campaign No. 00S45. DOM: 9/99-10/00. On SUVs with steel hoods & pickups with sheet molding compound hoods, wire-formed hood strikers are susceptible to fatigue fractures. If hood striker fractures, hood can fly open while driving & result in crash. (Correct by replacing hood striker.)

#### **GENERAL MOTORS**

| NHTSA            | Date of Company |      |       | Model | Number of |
|------------------|-----------------|------|-------|-------|-----------|
| Identification # | Notification    | Make | Model | Year  | Vehicles  |

83V-049 4-28-83 Chevrolet Z-28 Camaro 1983 4,393 DOM—1/4/83-1/26/83. Cars with fiberglass hoods are subject to hood inner and outer panel separation. If separation occurs while car is in motion, hood outer panel could fold back and block driver's view. This could result in vehicle crash without prior warning. (Correct by inspecting and, if required, installing new hood.)

86V-121 8-26-86 Oldsmobile Calais 1985-86 206,651 DOM—7/84-4/86. Secondary hood latch may be incorrectly aligned or exhibit binding of latch pivot which could result in primary hood latch not being completely engaged. Hood could unexpectedly open while vehicle is in motion, reducing forward vision of driver and cause crash. (Correct by replacing secondary hood latch and inspecting primary hood latch pop-up lever.)

86V-16512-11-86ChevroletCorsica, Beretta19874,884DOM- 8/86-11/86.Secondary hood latch may not properly engage due to contact with support bracket and or<br/>primary latch return spring.Hood could open and contact windshield, reducing driver's vision, & causing crash.(Correct by installing secondary latch skid plate on Corsica and Beretta.Install revised secondary latch on Beretta.)

87V-0625-1-87ChevroletCorsica19872,020DOM- 11/86-12/86.Loss of skid plate could lead to disengagement of both secondary & primary hoodlatches.Hood could open unexpectedly, contacting windshield, reducing driver's vision, & causing crash.(Correctby installing secondary latch skid plate and/or secondary latch skid plate retaining screws.)SecondarySecondary

88V-0393-11-88ChevroletCorsica, Beretta1987-88282,052DOM- 11/86-11/89.Secondary hood latch assembly may not have been properly adjusted resulting in latchbecoming bent.Bent secondary hood latch could cause primary latch to malfunction and allow hood to unexpectedlyopen while vehicle in motion.Reduction of forward visibility could cause vehicle crash without prior warning.(Correct by inspecting & replacing secondary hood latch assemblies.)

88V-065 4-11-88 Pontiac Grand Prix 1988 12,457 Buick Regal DOM- 6/87-1/88. Secondary hood latch may not properly engage. If primary latch disengages, hood could

unexpectedly open. If car was in motion, hood could contact windshield, reduce driver's forward vision area, & result in accident. (Correct by replacing secondary latch.)

91V-1358-13-91ChevroletCorsica, Beretta1987-88290,408DOM- 6/86-11/87.Secondary hood latch assembly may not be properly adjusted & could become bent.Bentsecondary latch could lead to primary latch not being fully engaged, allowing hood to unexpectedly open.Hood maycontact windshield, reducing forward vision area of driver & vehicle crash could occur.(Correct by replacingprimary hood latch assembly, secondary hood latch assembly, & support bracket.)Secondary bracket.)

| 91V-166 | 9-17-91 | Chevrolet | Cavalier | 1992    | 3,212 |
|---------|---------|-----------|----------|---------|-------|
|         |         |           | Pontiac  | Sunbird |       |

DOM- 8/91. Secondary hood latch spring is improperly installed or missing, leading to condition where secondary hood latch does not engage secondary striker. If secondary hood latch is not engaged, & primary hood latch was also not engaged, hood could open unexpectedly. If this occurs while vehicle is in motion, hood may contact windshield, reducing forward vision area of driver & vehicle crash could occur. (Correct by inspecting hood latch assemblies & where necessary, installing new secondary hood latch spring.)

| 91V-18 | 36 1            | 0-21-91            | Chevrolet       | Caprice                | 1991-92                   | 224,588  |
|--------|-----------------|--------------------|-----------------|------------------------|---------------------------|----------|
|        |                 |                    |                 | Buick                  | Roadmaster                |          |
|        |                 |                    |                 | Oldsmobile             | Custom Cruiser            |          |
|        | DOM-10/89-8/91. | Secondary hood lat | ch assemblies c | an corrode, causing hi | gh latch release effort & | possible |

| NHTSA            | Date of Company |      |       | Model | Number of |
|------------------|-----------------|------|-------|-------|-----------|
| Identification # | Notification    | Make | Model | Year  | Vehicles  |

preventing hood from latching properly when it is closed. If secondary hood latch is not properly engaged, hood could open & contact windshield while vehicle is in motion, reducing forward vision area of driver, resulting in vehicle accident. (Correct by installing new secondary hood latch assembly.)

93V-189-00111-23-93GeoMetro1989-93356,097Mislocated spot welds of hood striker assembly cause cracks to start on hood inner panel. If cracks occur,hood striker assembly may not properly engage hood latch when hood is closed. improperly engaged hood latch mayallow hood to fly up while vehicle is in motion, obstructing driver's view & causing accident. (Correct by installingtwo bolts & nuts to secure striker assembly to hood inner panel, plus ensure that hood latch assembly fasteners areproperly tightened.)

| 95V-229 | 12-01-95 | Cadillac | Concours | 1996    | 12,783 |
|---------|----------|----------|----------|---------|--------|
|         |          |          |          | Deville |        |

DOM - 7/95-9/95. Cars may have improperly adjusted secondary hood latch which does not conform to FMVSS 113. If secondary hood latch is not properly engaged & primary hood latch is also not engaged, hood could open unexpectedly. If occurs while car is in motion, hood can contact windshield, reduce vision of driver & result in vehicle accident. (Correct by adjusting secondary hood latch.)

97V-23212-10-97CadillacDeville199814,423Mfg. Campaign No. 97070. DOM - 08/97-11/97. Hood hinge pivot bolts can break because of improper heattreat condition. Broken bolt can cause either corner of hood near windshield to rise, or one side of hood to beunstable when opened. This does not comply with requirements of FMVSS 219. In vehicle crash, hood could bepushed back through windshield glass, injuring vehicle occupants. (Correct by replacing hood hinge pivot bolts.)

HONDA83V-13112-6-83HondaCivic198410,421DOM—8/83-11/83.Tolerance errors of hood safety catch could allow accidental hood opening. If hood is not<br/>securely latched in full lock position, driving at high speeds or hitting large bump could cause hood to open<br/>suddenly. This would block driver's vision, causing driver to lose control and crash. (Correct by inspecting and<br/>replacing safety latch with proper part.)

| 07V-542 | 11-21-07 | Honda | Ridgeline | 2008 | 410 |
|---------|----------|-------|-----------|------|-----|
|---------|----------|-------|-----------|------|-----|

Mfg. Campaign No. Q64. DOM: 10/07. On vehicles, hole in sheet metal front bulkhead that serves as base and pivot point for hood support rod was not punched to specification. Hood support rod may fail to hold hood in position due to insufficient strength. If hood support rod hole fails, hood could fall and result in injury. Correct by inspecting prop rod base hole and installing reinforcement parts.

# HYUNDAI 90V-038 2-13-90 Hyundai Sonata 1989-90 39,361 DOM- 28/89-10/89. Insufficient clearance could cause safety catch on secondary hood latch striker to bind. If primary latch is released or if hood is not completely closed, hood could fly open while vehicle is in motion. This would block driver's vision & could result in accident. (Correct by replacing hood latch striker assembly.)

#### MAZDA

00E-06911-6-00MazdaRX71992-9512Mfg. Campaign No. 0100L. DOM: 6/97-9/00. On Speed Resinous hoods, designed & sold as accessory parts for1992-1995 RX7, hook on hood striker could separate from base plate at welded portion due to insufficient weldingstrength. Hood may suddenly open during operation, losing front visibility & resulting in crash. Correct byreplacing hood striker.

#### MERCEDES

| NHTSA<br>entification #  | Date of Company<br>Notification  | Make   | Model  | Model<br>Year  | Number<br>Vehicles                  |
|--|--|--|--|--|-------------------------------------|
| 96V-010  | 2-01-96  | Mercedes   | C220, C280   | 1994-95<br>C360 1  | 44,114                              |
| damaged & not fu   | aign No.—96-0113. DOM<br>Inction properly as seconda<br>d could fly up suddenly wh   | ry safety catch                                    | as required by FMV   | ects, hood latch hook<br>SS 113. If hood is d                          | may be<br>amaged & not              |
|  |  | NISS   | SAN  |  |                                     |
| If when closing he   | 11-22-83<br>3-11/15/83. Inner panel of<br>ood, primary latch is not pr<br>driving. (Correct by inspec  | Nissan<br>hood may be d<br>operly engaged          | 300ZX<br>leformed causing mis<br>l, misaligned second                        | ary latch might allow  | hood to open                        |
| latch. In event tha<br>using a tool, hood<br>is not fully engage | 11-2-84<br>(A). Hood latch assembly l<br>at someone was to mistaken<br>l latch assembly may be dar<br>ed or is released while driving<br>cting and replacing with ne | ly operate leve<br>naged and resu<br>ing, hood may | r in incorrect direction<br>alt in separation of se<br>open, obstructing fro | on with extremely str<br>condary hood latch.<br>Intal vision and cause | ong force or by<br>If primary latch |
|  |  | PORS   | СНЕ  |  |                                     |
| 91V-012<br>2,451   | 1-15-91  | Porsche  | Carrera 4, 911   | 1989-90  |                                     |
|  |  |  |  | Coupe 1<br>Targa, Cabrio,<br>Carrera 2                                 | 990                                 |
| latch on front hoo   | -12/89. Luggage in luggage<br>d from properly locking. L<br>cing plastic trim piece & ins  | atch failure co                                    | ould cause hood to op  | en & obstruct driver   | 's front view.                      |
|  |  | SAL  |  |  |                                     |
| fiberglas body of  | 09-16-05<br>aign No. STSB 06-05-01. I<br>hood can become loose. Ho<br>Correct by replacing hood  | DOM: 3/05-8/0<br>bod may becom                     |  | ten hood latch and h   | -                                   |
|  |  | SUZ  | U <b>KI</b>  |  |                                     |
| hood striker assen<br>could allow hood<br>installing two bolt    | 11-30-93<br>spot welds of hood striker<br>nbly may not properly enga<br>to fly up while vehicle is ir<br>ts & nuts to secure striker a<br>erly tightened.)           | ige hood latch<br>i motion, obstr                  | when hood is closed.<br>ucting driver's view                                 | improperly engaged<br>& causing accident.                              | l hood latch<br>(Correct by         |
| fasteners are prop   |  |  |  |  |                                     |
| fasteners are prop   |  | TOY  | DTA  |  |                                     |

| NHTSA            | Date of Company |      |       | Model | Number of |
|------------------|-----------------|------|-------|-------|-----------|
| Identification # | Notification    | Make | Model | Year  | Vehicles  |

#### UTILIMASTER

| 91V-073  | 4-26-91 | Utilimaster | Aeromate | 1990-91 | 541 |  |  |  |
|--|---------|-------------|----------|---------|-----|--|--|--|
| DOM: 6/90-4/91. Primary hood latch can release when vehicle is driven in high wind gusts. Primary hood latch       |         |             |          |         |     |  |  |  |
| failure will also cause secondary hood latch to fail simultaneously. If primary and secondary hood latch failure   |         |             |          |         |     |  |  |  |
| occurs, hood can fly open and break one or both front windshields, blocking driver's vision, which could result in |         |             |          |         |     |  |  |  |
| occupant injury and/or vehicle accident. (Correct by replacing defective primary and secondary latch mechanisms    |         |             |          |         |     |  |  |  |
| with a larger spring on primary latch, and a redesigned catch on secondary latch.)                                 |         |             |          |         |     |  |  |  |

97V-0272-21-97UtilimasterWalk-in Van1996-97656DOM - 01/96-10/96.When vehicle is being driven, force of wind against hood can force hood behind hoodbumper, allowing hood to drop.This reduces tension on two rubber hold-downs which become loose. If both tiedowns come loose, hood can separate during vehicle operation.This can lead to broken windshield and/or blockingof driver's vision & vehicle crash.(Correct by adding metal bracket & second hood bumper above & behindoriginal bumper so that hood cannot be pushed or slip behind original, bottom, hood bumper.)

#### VOLKSWAGEN

98V-1607-13-98VWJetta, Golf, GTI1993-96238,000Mfg. Campaign No. UC. DOM: 8/92 - 2/96. Bolts securing front hood latch can loosen over time. Latchwould move causing disengagement of hood striker from latch. Unexpected opening of hood could occur,obstructing driver's view & increasing risk of crash. (Correct by inspecting hood latch & securing bolts & replacethem if necessary.)

TOTAL: 40 Recalls of 5,858,852 Vehicles