

TESTIMONY
JAMES B. APPLETON, PRESIDENT
NEW JERSEY COALITION OF AUTOMOTIVE RETAILERS
BEFORE THE
FEDERAL TRADE COMMISSION
AUTO DISTRIBUTION WORKSHOP
THE CONSTITUTION CENTER
400 7TH STREET SW
WASHINGTON, DC
JANUARY 19, 2016

Why do almost all states in the US regulate warranty reimbursement?

Two reasons. The first should strike a familiar chord here at the FTC. Federal anti-trust law prevents dealers from engaging in collective bargaining with automakers, which forces dealers and manufacturers to negotiate out in the open, where decisions that affect the public and consumer interest are made by democratically elected state representatives. This leads to the second reason: without state franchise laws, dealers and consumers would be at the mercy of powerful automakers and no business person in their right mind would ever invest the millions it takes to open a new car dealership.

Public policy in 50 states is designed to foster investment in the franchise system of neighborhood new car dealerships because this system promotes vigorous competition between and among brands; and not just for new and used car sales, but also for vehicle financing, customer-paid service and even for manufacturer-paid warranty repairs.

Consumers benefit from this competition; better hours of operation, pleasant customer waiting areas; courtesy transportation and, of course, cost. Even the dealers' well-documented charitable and civic involvement is driven by competition for sales and service, regardless of whether it's customer-paid or warranty work paid by the manufacturer.

This is why the courts and elected legislatures have consistently recognized that the extensive network of 17,000 franchised dealers across the US serves the public interest, promotes competition and gives consumers ready access to warranty service from skilled technicians working out of properly equipped, conveniently located service facilities. The fact that these dealerships are independently owned -- and that the dealers must be paid fairly -- ensures that consumers will be treated fairly.

And, understand this very important point: when automakers see warranty, they see expense, and experience tells us they will try to reduce that expense by shifting costs to consumers or

dealers. But, when a new car dealer sees warranty, they see revenue – which, by the way, is not the same as profit -- and, therefore, an opportunity to serve; to act as an advocate to ensure their customer gets the full value of the warranty they've already paid for.

Now let's talk about how the warranty business works in the real world. Study a dealership financial statement. You'll see that dealers make nothing and often lose money on new car sales; they make 2-3% on used; 6% on parts and maybe 8% on service. (*See Attachment #1*).

Look at every dollar that comes thru the parts department, for example, here's what you'll see:

- 66 cents goes right back to the automakers to pay for parts or cost goods sold;
- 16 cents goes to personnel expenses;
- 5 cents goes to variable expenses, like advertising, computer services and such;
- 7 cents goes to fixed expenses, like facilities, insurance and utilities; and
- that leaves just 6 cents as net profit **before taxes**.

(*See Attachment #1*).

Manufacturers mandate facilities, special tools, equipment and training to carry out warranty repairs, which costs a lot of money. But that investment benefits consumers because neighborhood new car dealers are standing by to fulfill the warranty promises made by manufacturers; promises that consumers have already paid for. So, when manufacturers won't pay retail on warranty repairs, they're not just cheating the dealers, they're cheating consumers, too.

We surveyed New Jersey GM dealers and found that about 48% of all repairs are warranty; free to the customer and paid by the manufacturer. So, if GM underpays dealers on 48% of their parts and service work, the dealers take a loss or they must shift costs to the remaining 52% customer-paid jobs. By unilaterally mandating a discount, manufacturers place a financial burden on dealers that inevitably results in losses for the dealer or higher prices for everyone else. (*See Attachment #2*).

So, how did the reimbursement methodology used in many states to calculate "retail" come about in the first place? State laws requiring automakers to pay "retail" on warranty date back to 1977 in New Jersey. But, it wasn't until 1991 that Bob and Elaine Robertazzi, the courageous Mom and Pop owners of Liberty Lincoln in Clifton, New Jersey, challenged Ford Motor Company and eventually proved the powerful automaker was underpaying dealers and shifting costs to consumers in what Federal District Court Judge Maryanne Trump Barry called a "shell game".

Still, dealers were frustrated. Automakers continued to devise burdensome reimbursement procedures in order to thwart dealer demands for fair compensation. And, by the late 1990's/early 2000's, many legislatures were fed up, too. They arrived at the 100 consecutive repair orders methodology, mostly out of frustration with automakers, who were quick to say what "retail" wasn't, but never offered a reasonable formula to meet their obligations under the law.

So, here we are, almost forty (40) years since the first retail reimbursement laws were enacted and twenty (20) years since the courts and many state legislatures tried to force compliance.

And, the sad truth is that automakers continue to game the system, because they know that every penny saved on warranty is a penny earned at the expense of consumers and new car dealers.

Let's look at two common strategies automakers use today to shift costs: surcharges and manipulation of parts pricing and labor times. It's interesting that 37 states -- accounting for 75% of all US auto sales -- require manufacturers to pay "retail" (*See Attachment #3*). But the manufacturers don't bake that cost into the price of the car. Instead, they opt to surcharge dealers **only** in states where they are actually forced to comply with the law, effectively charging consumers twice for warranty.

In New Jersey, GM acknowledged that "retail" is cost plus 60% on parts and they imposed a surcharge on dealer invoice. This is a GM-imposed charge intended to compensate them for what they say is their "additional cost" of doing business. GM collected an estimated \$6.5M in surcharges from NJ dealers in 2014 and paid out just \$3.2M for reimbursement in excess of the 60% markup they, themselves, acknowledge is "retail". In other words, GM collected \$3.3M more in surcharge money from dealers and consumers than they paid out. That means GM made \$3.3M on their "increased cost" of doing business in New Jersey. (*See Attachment #2*).

Nobody ever asks "how much does a manufacturer mark up the cost of parts or a new car?" But everyone knows exactly how much a dealer does. The retail end of the business is completely transparent, while the wholesale end of the business is cloaked in secrecy.

Here's another example of manufacturer self-dealing and price manipulation: a replacement fuel tank at a north Jersey Ford dealership lists for \$3400 and it costs \$315 to install; a total of just over \$3700. That's when the **customer** is paying for the job. But, in October of 2014, Ford announced a recall of two hundred and five thousand (205,000) '07 and '08 Ford Edge and Lincoln MKX vehicles with defective fuel tanks (*See Attachment #4*). Now, all of a sudden, since the **manufacturer** is paying for the repair, the cost of the part drops to less than \$1200 and labor time is slashed to \$250. With just a few keystrokes, Ford reduced dealer compensation and helped itself to a generous discount of more than \$2200; a discount worth as much as \$460M; almost half a billion dollars! Their mistake. Their defect. But dealers and consumers pay. This is a powerful example that really illustrates the public policy concerns at play here.

Let me wrap up by saying the conflict between dealers and manufacturers plays out at state houses all across the US, not because dealers want it that way, but because anti-trust laws prevent dealers from engaging in collective bargaining with automakers and because the public and consumer interests are best served by having these policy debates in public and decided by democratically elected state representatives. It's not really important what manufacturers earn or even how they chisel dealers. What is important, though, is that the FTC understand this conflict and recognize that the agency is being used; that the automakers' efforts to unravel state franchise laws and avoid fair payment to dealers won't benefit consumers, just enrich manufacturers. That's unfair to dealers, unfair to consumers and undermines the public interest in competition and highway safety.

5 Myths Perpetuated by Opponents of State Motor Vehicle Franchise Laws:

Myth #1 – *The auto retail industry has remained unchanged for 80 years and dealers sell cars the same way today as they did 80 years ago.*

- FTC Chairwoman Edith Ramirez and a number of the academics and automaker advocates who appeared at the FTC’s January 19, 2016 Auto Distribution Workshop stated that cars are being sold the same way today as they were decades ago. This is a myth.

The auto retail business is constantly changing and evolving and new car dealers embrace this change; more importantly, consumers demand it. To be sure, there are many aspects of the auto retail sector that have remained unchanged over the years. But these “constants” have everything to do with the nature of the automobile, as a consumer product, and nothing to do with any real or imagined restrictions imposed by state motor vehicle franchise laws.

First, automakers mass produce cars and sell them to dealers; they don’t -- as a general rule -- “build to order”. This fact requires retailers to buy and hold inventory so automakers can devote their time and resources to designing and building best-in-class products. Second, most new car sales involve a trade, so the typical consumer isn’t just buying a car; they’re also buying access to a wide array of automotive products and services offered at the dealership. Consumers want the dealer to appraise their trade and, possibly, take it off their hands. Consumers want the dealer to arrange financing and shop competitive offers from lenders, explain financing options, extended service plans and other aftersale products. Consumers want the dealer to properly title and register the vehicle, pay motor vehicle fees on their behalf and settle up with state and local tax authorities. And consumers want to know they are buying a motor vehicle that is backed by a factory warranty and an extensive network of independent service providers who are standing by ready, willing and able to carry out necessary warranty or safety recall service.

That part of the business and the basic structure of the retail automotive sales distribution and service system hasn’t changed, because the product hasn’t changed and the consumer demand for one-stop shopping (new and used sales, trade-ins, financing, parts and service) hasn’t changed. But to say the car business hasn’t changed in 80 years simply ignores the obvious. And there is just no evidence to suggest that change has been stifled in any way by state laws that regulate automobile franchising.

Indeed, these laws are constantly changing and legislators in state houses all across America have been quick to make changes to accommodate innovative companies and respond to new or changing market conditions. Last year, alone, 17 states enacted changes to their motor vehicle franchise statutes and every year for the past 10 years an average of 20 states have done the same.

Tesla Motors, it should be noted, is an innovative electric car manufacturer that went to market in a number of jurisdictions where state law actually prohibited direct factory sales. State legislatures in many – if not most -- of those jurisdictions responded by amending the law to accommodate this one-of-a-kind electric vehicle manufacturer, once again, demonstrating that these laws are constantly evolving to keep pace with new and changing market conditions.

There can be no ignoring the fact that the internet, third-party lead generators and automotive buying services of every description have dramatically changed the way cars are bought and sold. Consumers, for example, used to drive from dealer to dealer shopping price and features of competing brands and, then, price and inventory among same-brand dealerships. It was a long and arduous practice that made car buying a chore. Our digital world has changed the way cars are bought and sold and placed more power and control in the hands of buyers and, now, sellers compete more aggressively than ever for each and every sale.

Today, everything a consumer needs or wants to know about buying a new or used car is at their fingertips 24/7/365. All information and all inventory is on-line and the car buying and selling process is the most transparent (and highly regulated) purchase a consumer can make. The average consumer spends weeks or even months shopping on-line before they ever contact a dealership. Some don't even visit the dealer at all and others simply show up at the dealership to finalize a transaction, to process a trade and to sign the necessary paperwork to finance, title and register their purchase. To say the way consumers buy cars today hasn't changed in 80 years is just absurd.

Myth #2 – The disparate bargaining power between small dealers and large automakers is no longer present in the marketplace and, therefore, the so-called “protections” built into state automotive franchise laws for small dealers are no longer needed.

- This is not a serious argument and that is evident when you look at just a few simple facts. First, the top 7 publicly traded auto groups (AutoNation, Berkshire Hathaway's Van Tuyl Group, Penske Automotive, Sonic, Asbury, Group 1, and Lithia) have a ***combined*** market cap of \$18B; Toyota's market cap is almost ten times that and the combined market cap of the top 7 automakers is more than

25 times the market cap of the top 7 public auto groups. General Motors, the smallest of the top seven automakers, is still eight times bigger than AutoNation, the largest of the top seven auto retailers.

New Jersey is home to 500+ new car dealerships (rooftops, not franchises). The average value of a dealership, by rooftop, is \$11M and 48% of all dealerships in New Jersey are 1 or 2 store operations. That means the typical new car dealership in New Jersey is worth somewhere between \$11M and \$22M. Toyota is worth \$165B. Ford \$50B.

Only 5% of the dealers in New Jersey are connected to one of the large, publicly traded auto groups. The overwhelming majority of dealerships in New Jersey and all across the US are small to mid-sized, Mom and Pop, family run businesses worth several millions, not billions. These are strong, well-run and well-established local businesses, to be sure. But they cannot match the automakers when it comes to economic might or the ability to sustain a legal dispute or financial test of wills.

Again, there can be no serious argument that dealer groups, even the largest dealer groups, are equal in size and bargaining power to even the smallest automakers. The decision by every state legislature in the US to enact laws designed to encourage local investment in new car dealerships by “leveling the playing field” is as sound today as it ever was. More importantly, the investment by large and sophisticated economic players like Warren Buffet and others suggests this policy is working, and it would be unwise for the FTC to lobby on behalf of automakers for major changes to the statutory environment that would surely undermine investor confidence in dealerships that create jobs and economic activity on every main street and highway in America.

Myth # 3 -- *The franchise system creates exclusive markets that stifle competition.*

- Franchise laws do not create exclusive markets; they simply create a system that fairly and impartially balances the interests of consumers, local communities and incumbent franchisees against the interests of a powerful automaker that seeks to realign its presence in the marketplace. Dealers who have invested substantial sums in facilities, equipment, training and personnel cannot easily repurpose that investment if they are forced to quit a manufacturer who treats them unfairly or if they are unilaterally terminated by that manufacturer. And, it should be clear that the power to create a new dealership or relocate one is also the power to destroy an existing dealership and wreak financial havoc on individual dealer-investors and the communities that rely on them. It should be

equally clear that the power to protest the creation of a new dealership or the relocation of one is **not** the power to stop it. All the franchise laws do is create a process to manage competition and allow the automakers to manage their brand, while at the same time protecting the public interest in a stable and highly competitive auto retail network.

Myth #4 -- *The franchise system stifles innovation.*

Franchise laws do not stifle innovation; they simply regulate the manner in which automobiles are sold and serviced and free up capital that manufacturers need to innovate. Let's be clear: new car dealers want to sell what consumers want to buy. Innovation benefits new car dealers as much as it does consumers. The franchise system that is in place all across America has no impact on the way these products are designed or the innovative technology and features that are (or are not) built into automobiles. Franchise laws represent a tried and true regulatory system designed to advance the public interest and encourage private investment in an extensive network of independent new car dealerships. Public policy in 50 states favors the franchise system because it promotes competition and gives consumers ready access to warranty and safety recall service.

The franchise system is beneficial to both consumers and manufacturers, since it moves product quickly and efficiently off the manufacturers' books and allows multiple retailers to compete for sales by offering the right product at the right price. If anything, the franchise system actually supports greater innovation by freeing up capital that manufacturers would otherwise put to mundane use retailing vehicles, rather than investing that capital in research and development that drives innovation.

It should be noted that Tesla has elected a direct sales business model because, they say, the franchise system handcuffs automakers and, besides, dealers have proven they don't want to sell electric cars that compete with gas engines. But take a close look at this position: there is no provision in any franchise law in any state in America that would require Tesla to select anyone other than a dealer they train and trust to devote their full energy and attention to the sale of electric vehicles. And, there is ample evidence in the public record that the real reason Tesla doesn't want to appoint franchisees is because they wish to "avoid the conflict of interest inherent in most incumbent automobile manufacturers, where the sale of warranty parts and repairs by a dealer are a source of revenue and profit for the dealer and expense to the manufacturer". (Source: Tesla's own 10K filing with the SEC). Tesla may claim that they reject the franchise system because it stifles innovation, but the real reason is buried deep in their SEC filings.

Myth #5 – State motor vehicle franchise laws are the result of improper or undue influence exerted on the legislative process by powerful dealer lobbies.

- Automakers and academics who oppose the franchise system are at a loss to explain their inability to persuade state legislatures of their position. So they have suggested the universal adoption of state motor vehicle franchise laws all across the US is evidence of a vast conspiracy by dealers to exert some kind of improper or undue influence over the legislative process. Sounds like “sour grapes” and a fanciful construct to divert attention from the fact that automakers actually outspend dealers on lobbying in virtually every state capitol in America. This constant complaint from automakers and their friends in academia that state legislatures, somehow, favor the dealers because the dealers exert some kind of improper or undue influence over the legislative process is just not supported by the facts.
 - ***Fact #1*** –Automakers have the same -- and in many cases, even greater -- access to government decision-makers at state houses all across America, where motor vehicle franchise laws are thoroughly debated in a fair and completely transparent public process.
 - ***Fact #2*** -- State legislatures carefully consider both sides of the argument and they have consistently come down on the side of the dealers because they recognize that the independent franchise model promotes competition and ensures consumer access to qualified service facilities to perform warranty and safety recall repairs.
 - ***Fact #3*** –Legislatures side with dealers in this debate because dealer interests are more closely aligned with consumer interests. Manufacturers want fewer dealers and lesser investment in local businesses that create jobs and competition.
 - ***Fact #4*** – Legislatures reject the manufacturers’ position because the automakers’ interests are not aligned with the consumers’ interests. While dealers see warranty and safety recall service as a potential profit center, manufacturers see it as an unwelcome cost of doing business.

The franchise system of independent new car dealers promotes vigorous competition in the marketplace and ensures consumers will have ready access to warranty and safety recall services, which they have already paid for as part of their new car purchase. Legislatures have recognized that regulating the sale of

motor vehicles in this manner represents a legitimate exercise of the state's police power and franchise laws constitute an altogether reasonable means of protecting the public health, safety and welfare of new car buyers and motorists who share the road with them. Consumer protection and highway safety are the paramount public policy concerns that drive legislative action on state motor vehicle franchise laws, not improper or undue influence from dealers.

State legislatures in all 50 states have opted to support a system of motor vehicle distribution that encourages investment in local dealerships. State legislators unanimously favor a policy that promotes competition for sales and offers ready access to qualified service that will keep vehicles operating safely on the road. Manufacturers oppose the motor vehicle franchise laws because they want fewer dealers and more control over the dealer network and greater leverage to reduce aftersale costs associated with warranty service and safety recall repairs.

State legislatures have carefully considered and consistently rejected the manufacturers' position and they recognize that more investment in new car dealerships equates to more competition and improves highway safety. State legislatures have listened intently to both sides in this debate about state motor vehicle franchise laws and they have properly concluded that these laws serve the public interest. Those who ascribe improper motives to these decisions are either ignorant of the facts or they are simply making up excuses for their own inability to persuade elected legislatures to place the manufacturers' interests ahead of the public interest.

Lastly, it should be noted that dealer advocates are obliged to make their case at state houses all across the US, not because dealers want it that way, but because anti-trust laws prevent dealers from engaging in collective bargaining with automakers. If dealers were permitted to organize to protect their economic interests and to engage in concerted action against automakers, like a union, that would no doubt be preferable for the dealers, but that would not benefit consumers. Clearly, the public and consumer interests are best served by having these policy debates in public and decided by democratically elected state representatives.

February 29, 2016

James Appleton, President
NJ CAR
856 River Road
Trenton, NJ 08628

Dear Jim:

In response to your request for information for the testimony of the New Jersey Coalition of Automotive Retailers before the Federal Trade Commission Auto Distribution Roundtable on January 19, 2016, we reviewed a large sample of dealership financial data to make several conclusions in conjunction with dealership costs and profits.

Our firm, WithumSmith+Brown (formerly The Mironov Group), is one of the region's preeminent automotive accounting firms, serving close to 400 dealerships throughout the United States. Our staff each has, on average, over 20 years of experience in the automotive accounting and consulting arenas. We have worked within the automotive industry in a wide range of disputes, helping them resolve those challenges.

Looking at dealership composite data covering a broad spectrum of size, volume, type, brand and location in proximity to the New York, New Jersey and Pennsylvania region, the following estimates were reached looking at sales, cost, revenue, expenses and gross profit for departments within the dealership financial structure.

1. Prior to other income or any incentive money provided by the manufacturer, generally, a selection of better performing dealerships revealed that they:
 - a. Basically do not generate any net profit in the new vehicle department.
 - b. Generate between 2 and 3 percent, on average, net profit in the used vehicle department.
 - c. Generate between 5 and 7 percent, on average, net profit in the parts department.
 - d. Generate between 7 and 9 percent, on average, net profit in the service department.
2. Generally, examining the parts department in a dealership, for every dollar of sales that flows through that department:
 - a. Approximately 66 percent is to pay for parts or cost of goods sold.
 - b. Approximately 16 percent goes to pay personnel expenses.
 - c. Approximately 5 percent goes to pay other variable and semi fixed expenses.
 - d. Approximately 7 percent goes to cover fixed expenses in the dealership.
 - e. Approximately 6 percent remains as net profit for the dealership.

James Appleton, President
February 29, 2016
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For the purpose of this review, net profit is revenue (sales) less cost of goods sold and expenses.

If you have any questions, feel free to contact us at any time.

Sincerely,

George E. Berry, Jr.

LOUIS YOUNG

/tf

Attachment #2

NJ CAR Survey of New Jersey GM Dealers

GM Dealers	2014 Warranty Parts Rate of Reimbursement	Reimbursement Amount above 60%	# of Vehicles Retailed in 2014	Total "NJ Cost Surcharge" Paid In 2014	% of warranty/recall repair orders	% of customer-paid repair orders
Franchise 1	60%	\$0	800	\$100,000	35%	40%
Franchise 2	60%	\$0	472	\$50,000	34%	45%
Franchise 3	60%	\$0	625	\$80,000	33%	52%
Franchise 4	60%	\$0	815	\$110,000	38%	48%
Franchise 5	60%	\$0	1,241	\$120,000	33%	48%
Franchise 6	99%	\$159,526	808	\$101,000	37%	39%
Franchise 7	87.10%	\$192,697	896	\$118,272	64%	36%
Franchise 8	60%	\$0	306	\$38,250	51%	49%
Franchise 9	60%	\$0	467	\$45,000	45%	55%
Franchise 10	60%	\$0	627	\$72,105	43%	34%
Franchise 11	60%	\$0	876	\$109,600	63%	37%
Franchise 12	60%	\$0	306	\$38,250	51%	49%
Franchise 13	60%	\$0	219	\$28,740	31%	69%
Franchise 14	91.50%	\$82,904	474	\$59,000	31%	51%
Franchise 15	91.50%	\$82,904	474	\$59,000	31%	51%
Franchise 16	60%	\$0	681	\$76,365	41%	44%
Franchise 17	60%	\$0	439	\$54,875	59%	24%
Franchise 18	60%	\$0	990	\$123,750	51%	49%
Franchise 19	74%	\$20,599	353	\$33,566	51%	49%
Franchise 20	74%	\$20,599	353	\$33,566	51%	49%
Franchise 21	74%	\$20,599	353	\$33,566	51%	49%
Franchise 22	57%	\$0	309	\$35,000	18%	42%
Franchise 23	85%	\$213,150	1,380	\$203,000	40%	40%
Franchise 24	89%	\$179,190	1,500	\$120,000	52%	48%
Franchise 25	74%	\$37,800	600	\$75,000	35%	65%
Franchise 26	60%	\$0	512	\$61,144	54%	46%
Franchise 27	60%	\$0	381	\$47,625	40%	60%
Franchise 28	60%	\$0	381	\$47,625	40%	60%
Franchise 29	60%	\$0	381	\$47,625	40%	60%
Franchise 30	60%	\$0	486	\$63,000	45%	55%
Franchise 31	60%	\$0	861	\$95,000	42%	42%
Franchise 32	88%	\$44,969	664	\$87,500	43%	45%
Franchise 33	60%	\$0	793	\$87,464	43%	45%
Franchise 34	73%	\$28,155	610	\$75,000	39%	40%
Franchise 35	75%	\$38,573	505	\$50,000	46%	54%
Franchise 36	84%	\$47,918	743	\$92,875	58%	42%
Franchise 37	72%	\$138,742	1,250	\$156,250	40%	34%
Franchise 38	60%	\$0	321	\$42,000	28%	43%
Franchise 39	81%	\$64,414	575	\$87,000	32%	68%
Franchise 40	60%	\$0	418	\$56,430	36%	44%
Franchise 41	96%	\$188,221	814	\$97,680	48%	42%
Franchise 42	91%	\$86,120	650	\$81,250	42%	48%
Franchise 43	85%	\$94,350	620	\$77,500	39%	43%
		\$1,597,430	27,329	\$3,270,873	47.91%	52.09%
		\$3,194,860		\$6,541,746		

Attachment #3

STATES WITH WARRANTY REIMBURSEMENT PROVISIONS FOR PARTS AT RETAIL RATE:

1. Alabama
2. Arkansas
3. Connecticut
4. Delaware
5. Florida
6. Georgia
7. Hawaii
8. Idaho
9. Illinois
10. Kentucky
11. Louisiana.
12. Maine.
13. Maryland
14. Massachusetts
15. Minnesota
16. Missouri
17. Nebraska
18. Nevada
19. New Hampshire
20. New Jersey
21. New Mexico
22. New York
23. North Carolina
24. North Dakota
25. Ohio
26. Oklahoma
27. Oregon
28. Pennsylvania
29. Rhode Island
30. South Dakota
31. Texas
32. Utah
33. Vermont
34. Virginia
35. Washington
36. West Virginia
37. Wisconsin

*The following states do not have the provision: Alaska, Arizona, California, Colorado, Indiana, Iowa, Kansas, Michigan, Mississippi, Montana, South Carolina Tennessee and Wyoming.

Safety Recall 14S22 – Supplement #2
Certain 2007 and 2008 Model Year Edge and MKX Vehicles Operated in Corrosion States
Fuel Tank Corrosion Inspection and Repair

New! LABOR ALLOWANCES

Description	Vehicle Type	Labor Operation	Labor Time
Remove, Clean, and Treat Fuel Tank <i>Includes inspection (pass).</i>	FWD vehicles	14S22B	1.7 Hours
Remove, Clean, and Treat Fuel Tank <i>Includes inspection (pass).</i>	AWD vehicles		2.0 Hours
Remove and Replace Fuel Tank <i>Includes inspection (fail) and transfer of parts.</i>	FWD vehicles	14S22C	1.6 Hours
Remove and Replace Fuel Tank <i>Includes inspection (fail) and transfer of parts.</i>	AWD vehicles		2.0 Hours
SSSC Image Submission <i>Additional time to submit fuel tank images via SSSC web contact (claim with 14S22C for fuel tank replacement only)</i>	All vehicles	14S22D	0.2 Hours

New! PARTS REQUIREMENTS / ORDERING INFORMATION

To manage the initial flow of fuel tank shipments, a seed stock distribution to dealers in corrosion areas will be administered over the course of five to six weeks, beginning the week of Sep 21, 2015. The seed stock plan will target approximately 10% of the estimated volume of fuel tanks needed by each dealer for this recall. The fasteners and seals needed for fuel tank replacement will be shipped separately from the fuel tanks during the seed stock program. Parts departments are encouraged to manage their inventory accordingly.

Dealer affected vehicles	Seed Stock Expectation
Fewer than five FWD vehicles	None
Fewer than five AWD vehicles	None
Five or more FWD vehicles	At least one AT4Z-9002-DCP fuel tank plus associated hardware and other parts needed to replace the fuel tank. <i>(Actual volume of seed depends on the number of affected vehicles assigned to the dealer)</i>
Five or more AWD vehicles	At least one AT4Z-9002-CCP fuel tank plus associated hardware and other parts needed to replace the fuel tank. <i>(Actual volume of seed depends on the number of affected vehicles assigned to the dealer)</i>

Dealers can access <https://web.fsavinlists.dealerconnection.com> to identify the total number of affected vehicles assigned to their dealership in order to help determine if they will receive parts under the seed stock plan. Dealers that do not receive parts under the seed stock plan and need a fuel tank prior to open ordering should submit a Part Order contact using the SSSC link at the bottom of the OASIS VIN report screen. Images of the failed fuel tank should be attached to the Part Order contact.

NOTE: Dealers that want to discontinue their participation in the seed stock plan should submit a General contact request to the SSSC via the web link on the PTS site. Please note that removing a dealer from this seed stock program is a permanent action and dealers will not be re-entered into the seed plan.

▶ Select Vehicle

Enter VIN:

▶ OR, choose a year and vehicle

Year: Model: Full screen printable view

▶ Please select a search method

Search by Section:

Search by Operation Number:

Search by Part Number:

- 2014 Police Interceptor - Sedan VIN:
- 2010 F-150 VIN:
- 2012 Escape VIN:
- 2013 C-Max Hybrid/Energy Efficient VIN:
- 2008 Mustang VIN:
- 2016 Fusion VIN:
- 2013 Explorer VIN:

2008 Edge, AWD - Operation:9002

Operation Description	Operation Number	Time
Fuel Tank (09002/ 09072/ 09076) - Remove and Install Refer to operation 9002A1 for transfer of parts. When claiming 9002A: Do not use with; 9034A When claiming 9002A*: Do not use with; 9275A*. When claiming 9002A*: Do not use with; 9350E* Unless equipped with; 6.0L DIT; 6.4L DI T.. * Overlap includes ALL labor operation category codes such as Left, Right, Both, One, All, Upper, Lower, High, Low, etc.	9002A	3.1
Combinations Additional operations which may be performed		
Fuel Tank (09002) - Replace Includes transfer of all parts.	9002A1	0.4

(BPDA.T)
AT4Z*9002*DCP

TANK ASY - FUE SO: 100 Cost: 561.52

18 DEC 15

Date/Time	Refer	Pgm	User	Trans-Code	OLD	QTY	NEW	COST
12/09 12:33	208746	PRO	6099	Sale	1	-1	0	617.67
12/09 12:09		RA	6099	O Other Rcp	0	1	1	561.52
11/19 14:47	208250	PRO	6143	Sale	1	-1	0	561.52
11/19 14:47		RA	6016	O Other Rcp	0	1	1	561.52
11/19 14:46		OE	6143	ADD Part Ad	0	0	0	561.52

Use Arrow, PageUp or PageDown keys to navigate

F3=Save/Exit F2=Display Detail F5=Invoice# F6=Long Display SF11=>

(BPDA.T) PARTS DETAIL TRANSACTION DISPLAY 18 DEC 15
AT4Z*9002*D TANK ASY - FUEL SO: 100 Cost: 1817.10
Date/Time Refer Pgm User-Trans-Code OLD QTY NEW COST
12/03 09:39 OE 6130 ADD Part Ad 0 0 0 1817.10

Use Arrow, PageUp or PageDown keys to navigate
F3=Save/Exit F2=Display Detail F5=Invoice# F6=Long Display SF11=>

(BPDA.T)

PARTS DETAIL TRANSACTION DISPLAY

18 DEC 15

AT4Z*9002*CCP TANK ASY - FUE SO: 102 Cost: 588.96

Date/Time	Refer	Pgm	User	Trans-Code	OLD	QTY	NEW	COST
12/17 16:06	208990	PRO	6138	Sale	3	-1	2	588.96
12/08 15:55	208376	PRO	6129	Sale	4	-1	3	588.96
12/07 15:43	71207	RA	6247	CAN Can Ord		2		588.96
12/07 15:39		PS	6247	P Plus Adj	0	4	4	588.96
12/07 15:28	71207	ST	6040	I Inc. orde		2		588.96
12/07 15:25	208624	PRO	6010	Sale	1	-1	0	588.96
12/07 10:35	208677	PRO	6010	Sale	2	-1	1	588.96
12/01 14:19	208463	PRO	6118	Sale	3	-1	2	588.96
11/16 15:35	208193	PRO	6113	Sale	4	-1	3	588.96
11/16 10:16	208191	PRO	6113	Sale	5	-1	4	588.96
11/11 10:08	207953	PRO	6032	Sale	6	-1	5	588.96
11/10 08:47	208019	PRO	6091	Sale	7	-1	6	588.96
11/06 10:15	207923	PRO	6109	Sale	8	-1	7	588.96
10/09 16:16		RA	6111	O Other Rcp	4	4	8	588.96
10/05 14:03		RA	6105	O Other Rcp	0	4	4	588.96
10/05 14:03		OE	6136	ADD Part Ad	0	0	0	588.96

Use Arrow, PageUp or PageDown keys to navigate
F3=Save/Exit F2=Display Detail F5=Invoice# F6=Long Display SF11=>

(BPDA.T) PARTS DETAIL TRANSACTION DISPLAY 18 DEC 15
AT4Z*9002*C TANK ASY - FUEL SO: 100 Cost: 2051.00
Date/Time Refer Pgm User-Trans-Code OLD QTY NEW COST
12/03 09:35 OE 6102 ADD Part Ad 0 0 0 2051.00

Use Arrow, PageUp or PageDown keys to navigate
F3=Save/Exit F2=Display Detail F5=Invoice# F6=Long Display SF11=>

DEALER EXECUTIVE SUMMARY

Safety Recall 14S22 – Supplement #2
Certain 2007 and 2008 Model Year Edge and MKX Vehicles Operated In Corrosion States
Fuel Tank Corrosion Inspection and Repair

PROGRAM

Program Type	Safety
Stop Sale	No
Demonstration Hold	No
Delivery Hold	No
Program Expiration	None

New! PARTS & SERVICE

Parts Required	Yes
Parts Available	Yes
IDS Software Update Required	No
Interim Repair	No
Repair Universe/Percentage of vehicles expected to require a repair	100%
New FSA Special Service Tools Needed	No
Unique Related Damage Provision	Special Service Support Center approval required
Labor Time	1.7 – 2.2 Hours

CUSTOMER HANDLING

Towing Reimbursement	Yes, as outlined in Dealer Bulletin
Rental Assistance	Yes
Refunds Authorized	Yes
Special Handling	No

New! ADMINISTRATION

OASIS On	October 28, 2014
Owner Notification	Mailing complete by December 15, 2014, follow-up mailing begins week of September 28, 2015



Michael A. Berardi
 Director
 Service Engineering Operations
 Ford Customer Service Division

Ford Motor Company
 P. O. Box 1904
 Dearborn, Michigan 48121

September 21, 2015

TO: All U.S. Ford and Lincoln Dealers

SUBJECT: **Safety Recall 14S22 – Supplement #2**
 Certain 2007 and 2008 Model Year Edge and MKX Vehicles Operated in Corrosion States
 Fuel Tank Corrosion Inspection and Repair

REF : **Safety Recall 14S22 – Supplement #1**
 Dated April 1, 2015

New! REASON FOR THIS SUPPLEMENT

- **Parts and service procedures:** Parts, service procedures, and labor operations are now available to inspect fuel tanks and either clean and treat or replace the fuel tank.
- **Field data gathering:** Dealers that identify fuel tanks which fail the inspection procedure in Attachment III are required to submit images documenting the failed area(s) of the fuel tanks.
- **Seed stock:** Dealers in corrosion areas with five or more FWD or five or more AWD vehicles identified in their FSA VIN list should expect at least one fuel tank as seed stock for this recall.
- **Rental vehicles:** Rental vehicle administrative arrangements that were implemented prior to fuel tank availability have been updated.
- **Labor operation expiration:** As parts are now available, labor operation codes 14S22RR, 14S22SS, 14S22TT, 14S22UU, and 14S22VV are no longer needed. Claims with these labor operation codes dated September 28, 2015 and later will no longer be accepted.

AFFECTED VEHICLES

Certain 2007 and 2008 model year Edge and MKX vehicles built at the Oakville Assembly Plant from June 15, 2006 through September 22, 2008 and originally sold in, or currently registered in the following states:

Connecticut	Iowa	Michigan	New York	West Virginia
Delaware	Kentucky	Minnesota	Ohio	Wisconsin
District of Columbia	Maine	Missouri	Pennsylvania	
Illinois	Maryland	New Hampshire	Rhode Island	
Indiana	Massachusetts	New Jersey	Vermont	

Affected vehicles are identified in OASIS. In addition, for a list of vehicles assigned to your dealership, visit <https://web.fsavinilists.dealerconnection.com>.

NOTE: A separate Customer Satisfaction Program (14R02), covering inspections and repairs on affected vehicles located outside of the above listed corrosion states, will be released when parts are available. If a 2007 or 2008 model year Edge or MKX outside the 14S22 population (not listed in OASIS) is presented to your dealership with a fuel tank leak prior to the launch of 14R02, enter a Special Service Support Center (SSSC) web contact under 14S22 using Non-Involved Vehicle as the contact type.

REASON FOR THIS SAFETY RECALL

In some of the affected vehicles that are operated in high-corrosion environments associated with road salt use, moisture and salt may become trapped under the fuel tank mounting reinforcement brackets at the four corners where the fuel tank is attached to the vehicle. Over time, corrosion under these reinforcement brackets can spread to the fuel tank which can result in a fuel leak. A fuel leak in the presence of an ignition source may result in a fire.

New! SERVICE ACTION

Dealers are to remove and inspect the fuel tank for corrosion. Based on the results of the inspection, dealers will either clean and treat or replace the fuel tank.

Instructions for fuel tank removal, inspection, and treatment (if the fuel tank passes inspection) and instructions for replacement and installation of new tanks (if the fuel tank fails inspection) are included in Attachment III.

This service must be performed at no charge to the vehicle owner.

NOTE: If a vehicle within the affected build date range is not open in OASIS, and an owner or dealer believes it should be included in the recall, enter an SSSC web contact under 14S22 using Non-Involved Vehicle as the contact type.

DTCs P0442 and P0456 may be caused by components other than a leaking fuel tank. Replacement or repairs of components other than the fuel tank are not covered by this recall. Only replacement of a fuel tank due to corrosion is covered under this recall.

New! FIELD DATA GATHERING

To help gather additional data for this recall, dealers are required to submit images of all fuel tanks which fail the inspection criteria in Attachment III prior to submitting the claim. Images should be submitted via the SSSC Web Contact Site, and dealers must retain the ContactID from the SSSC contact and include it in the comments section when submitting claims.

- If a seed stock fuel tank is available for repairs (no part order needed), dealers should attach fuel tank images to an SSSC web contact under 14S22 using a General contact.
- Dealers that need to order parts for repairs should attach fuel tank images to the SSSC web Part Order contact.

NOTE: This is not a prior approval process. Images may be submitted at any time during or after the repair process but prior to warranty claim submission. These photos will not be reviewed to determine eligibility for payment under this recall.

New! SEED STOCK PLAN

Beginning the week of September 21, dealers with five or more FWD or five or more AWD vehicles in their FSA VIN list should expect to receive a small supply of fuel tanks (approximately 10% of replacement tank volume), over a period of five to six weeks.

New! OWNER NOTIFICATION MAILING SCHEDULE

Several phases of follow-up notification will be coordinated with fuel tank seed stock ramp up, advising owners to bring their vehicles to dealers for repair. Mailing is expected to begin the week of September 28, 2015 and will be sent in several phases. Dealers should repair any affected vehicles that arrive at their dealerships, whether or not the customer has received a letter.

New! ATTACHMENTS

Attachment I: Administrative Information
Attachment II: Labor Allowances and Parts Ordering Information
Attachment III: Technical Information
Owner Notification Letters
Recall Reimbursement Plan

QUESTIONS & ASSISTANCE

For questions and assistance, contact the Special Service Support Center (SSSC) via the SSSC Web Contact Site. The SSSC Web Contact Site can be accessed through the Professional Technician Society (PTS) website using the SSSC link listed at the bottom of the OASIS VIN report screen or listed under the SSSC tab.

Sincerely,

Michael A. Berardi

Safety Recall 14S22 – Supplement #2
Certain 2007 and 2008 Model Year Edge and MKX Vehicles Operated in Corrosion States
Fuel Tank Corrosion Inspection and Repair

OASIS ACTIVATED?

Yes, OASIS was activated on October 28, 2014.

New! FSA VIN LIST ACTIVATED?

Yes, FSA VIN list is available through <https://web.fsavinlists.dealerconnection.com>. Owner names and addresses will be available by October 5, 2015.

NOTE: Your FSA VIN list may contain owner names and addresses obtained from motor vehicle registration records. The use of such motor vehicle registration data for any purpose other than in connection with this program is a violation of law in several states, provinces, and countries. Accordingly, you must limit the use of this listing to the follow-up necessary to complete this service action.

STOCK VEHICLES

Use OASIS to identify any affected vehicles in your used vehicle inventory.

New! SOLD VEHICLES

- Owners of affected vehicles will be advised to contact their dealer and request a service appointment for inspection and repair relating to Safety Recall 14S22.
- Correct other affected vehicles identified in OASIS which are brought to your dealership.

TITLE BRANDED / SALVAGED VEHICLES

Affected title branded and salvaged vehicles are eligible for this recall.

New! ADDITIONAL LABOR TIME AND/OR PARTS

Submit a request to the SSSC Web Contact Site prior to the repair if you have any of the following:

- Damage that you believe was caused by the covered condition.
- A condition that requires additional labor and/or parts to complete the repair. For repairs where additional time is needed due to difficulty removing fuel tank bolts, etc., dealers are authorized to claim up to 2.0 hours actual time without contacting the SSSC Web Contact Site for approval. Follow the Actual Time Usage Guidelines and Service Management Responsibilities as identified in the Warranty and Policy Manual. Claims for additional parts or labor over 2.0 hours should be submitted to the SSSC as a Related Damage contact.
- Aftermarket equipment or non-Ford modifications to the vehicle which might prevent the inspection of the covered condition.

Requests for approval after completion of the repair may not be granted. Ford Motor Company reserves the right to deny coverage for related damage in cases where the vehicle owner has not had this recall performed on a timely basis. Additional related damage parts are subject to random selection for return to the Ford Warranty Parts Analysis Center (WPAC).

Safety Recall 14S22 – Supplement #2
Certain 2007 and 2008 Model Year Edge and MKX Vehicles Operated In Corrosion States
Fuel Tank Corrosion Inspection and Repair

OWNER REFUNDS

- This safety recall must still be performed, even if the owner has paid for a previous repair. Claiming a refund will not close the recall on the vehicle.
- Ford Motor Company is offering a refund for owner-paid repairs covered by this recall if the repair was performed prior to the date indicated in the reimbursement plan, which is posted with this bulletin. Owners are directed to seek reimbursement through authorized dealers or, at their option, directly through Ford Motor Company at P.O. Box 6251, Dearborn, MI 48121-6251.
- Dealers are also pre-approved to refund owner-paid emergency repairs that were performed away from an authorized servicing dealer after the end date specified in the reimbursement plan. Non-covered repairs, or those judged by Ford to be excessive, will not be reimbursed.
- Refunds will only be provided for the cost associated with repair or replacement of the fuel tank due to a leak caused by corrosion.

New! RENTAL VEHICLES

If a customer's vehicle requires replacement of the fuel tank and it is necessary to order parts, dealers are authorized to provide the customers up to five days of vehicle rental. The daily rate can include applicable taxes but must not exceed \$55.00. Rentals will only be reimbursed for the day(s) the vehicle is at the dealership for part replacement. Prior approval for more than five rental days is required from the SSSC via the SSSC Web Contact Site.

NOTE: *Any vehicles that were previously grounded due to a verified fuel tank leak should now be repaired and returned to customers, and any long term rental vehicles returned. Any remaining claims for long term rentals, towing or owner alternate transportation using Program Code 14Y02 must be submitted by October 31, 2015 to be eligible for payment.*

New! RENTAL TRACKING AND ALLOWANCE

The administrative allowance for assisting customers with arranging a rental vehicle is no longer available. Vehicles that require a fuel tank should be repaired at this time.

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Fuel Tank Corrosion Inspection and Repair

New! CLAIMS PREPARATION AND SUBMISSION

- Enter claims using Direct Warranty Entry (DWE) or One Warranty Solution (OWS).
 - DWE: refer to ACESII manual for claims preparation and submission information.
 - OWS: when entering claims in DMS software, select claim type 31: Field Service Action. The FSA number (14S22) is the sub code.
- Claims for fuel tank replacement require the ContactID from the web contact that was used to submit images to the SSSC. The ContactID should be included in the comments section of the claim. Dealers may claim 0.2 hours using labor operation code 14S22D for submitting images to the SSSC.
- Dealers are authorized to claim up to 2.0 hours of additional time without contacting the SSSC for approval. Follow the Actual Time Usage Guidelines and Service Management Responsibilities as identified in the Warranty and Policy Manual.
- Additional labor and/or parts must be claimed as related damage on a repair line that is separate from the repair line on which the FSA is claimed. Additional labor and/or parts require prior approval from the SSSC via the SSSC Web Contact Site.
- Claim up to \$55.00 per day for customer rental vehicles. Enter the total amount of the rental expense under Miscellaneous Expense code "Rental".
- Submit refunds on a separate repair line.
 - Program Code: 14S22
 - Misc. Expense: ADMIN
 - Misc. Expense: REFUND
 - Misc. Expense: 0.2 Hrs.
- Multiple refunds should be submitted on one repair line and the invoice details for each repair should be detailed in the comments section of the claim.
- **Provision for Locally Obtained Supplies:** Valguard VG-101A rust inhibitor aerosol or Daubert NOX RUST® 7703-W aerosol. Submit on the same line as the repair.
 - Program Code: 14S22
 - Misc. Expense: OTHER
 - Misc. Expense: Claim up to \$8.00

Safety Recall 14S22 – Supplement #2
Certain 2007 and 2008 Model Year Edge and MKX Vehicles Operated in Corrosion States
Fuel Tank Corrosion Inspection and Repair

New! LABOR ALLOWANCES

Description	Vehicle Type	Labor Operation	Labor Time
Remove, Clean, and Treat Fuel Tank <i>Includes inspection (pass).</i>	FWD vehicles	14S22B	1.7 Hours
Remove, Clean, and Treat Fuel Tank <i>Includes inspection (pass).</i>	AWD vehicles		2.0 Hours
Remove and Replace Fuel Tank <i>Includes inspection (fail) and transfer of parts.</i>	FWD vehicles	14S22C	1.6 Hours
Remove and Replace Fuel Tank <i>Includes inspection (fail) and transfer of parts.</i>	AWD vehicles		2.0 Hours
SSSC Image Submission <i>Additional time to submit fuel tank images via SSSC web contact (claim with 14S22C for fuel tank replacement only)</i>	All vehicles	14S22D	0.2 Hours

New! PARTS REQUIREMENTS / ORDERING INFORMATION

To manage the initial flow of fuel tank shipments, a seed stock distribution to dealers in corrosion areas will be administered over the course of five to six weeks, beginning the week of Sep 21, 2015. The seed stock plan will target approximately 10% of the estimated volume of fuel tanks needed by each dealer for this recall. The fasteners and seals needed for fuel tank replacement will be shipped separately from the fuel tanks during the seed stock program. Parts departments are encouraged to manage their inventory accordingly.

Dealer affected vehicles	Seed Stock Expectation
Fewer than five FWD vehicles	None
Fewer than five AWD vehicles	None
Five or more FWD vehicles	At least one AT4Z-9002-DCP fuel tank plus associated hardware and other parts needed to replace the fuel tank. <i>(Actual volume of seed depends on the number of affected vehicles assigned to the dealer)</i>
Five or more AWD vehicles	At least one AT4Z-9002-CCP fuel tank plus associated hardware and other parts needed to replace the fuel tank. <i>(Actual volume of seed depends on the number of affected vehicles assigned to the dealer)</i>

Dealers can access <https://web.fsavinlists.dealerconnection.com> to identify the total number of affected vehicles assigned to their dealership in order to help determine if they will receive parts under the seed stock plan. Dealers that do not receive parts under the seed stock plan and need a fuel tank prior to open ordering should submit a Part Order contact using the SSSC link at the bottom of the OASIS VIN report screen. Images of the failed fuel tank should be attached to the Part Order contact.

NOTE: Dealers that want to discontinue their participation in the seed stock plan should submit a General contact request to the SSSC via the web link on the PTS site. Please note that removing a dealer from this seed stock program is a permanent action and dealers will not be re-entered into the seed plan.

Safety Recall 14S22 – Supplement #2
Certain 2007 and 2008 Model Year Edge and MKX Vehicles Operated in Corrosion States
Fuel Tank Corrosion Inspection and Repair

New! PARTS REQUIREMENTS / ORDERING INFORMATION, continued

Part Number	Part Name	Order Quantity
FWD vehicles		
AT4Z-9002-DCP	Fuel tank assembly (replace <u>only if inspection failed</u>)	1
4L3Z-9276-AA	Fuel pump o-ring (replace <u>only if inspection failed</u>)	1
W713928-S438	Fuel tank bolts (4/package, 4 needed)	1
W506023-S439	Fuel tank to bracket bolts (4/package, 4 needed)	1
AWD vehicles		
AT4Z-9002-CCP	Fuel tank assembly (replace <u>only if inspection failed</u>)	1
4L3Z-9276-AA	Fuel pump o-ring (replace <u>only if inspection failed</u>)	1
W713928-S438	Fuel tank bolts (4/package, 4 needed)	1
W506023-S439	Fuel tank to bracket bolts (4/package, 4 needed)	1
W711918-S439	Rear driveshaft flange bolts (4/package, 4 needed)	1
W520113-S440	Driveshaft center support bearing nuts (4/package, 4 needed)	1
Additional materials for fuel tank anti-corrosion treatment		
VG-101A - Or - 7703-W	Valugard rust inhibitor aerosol (obtain from www.valugard.net)	Claim anti-corrosion treatment as MISC OTHER
	Daubert NOX RUST® aerosol (obtain from www.daubertchemical.com)	
PM-4-A / PM-4-B (or equivalent)	Motorcraft metal brake parts cleaner	1

NOTE: If an emergency repair is required and seed stock parts are not available, please submit a Part Order contact using the SSSC link at the bottom of the OASIS VIN report screen.

Dealers will be notified via a DOES II communication if circumstances warrant a change in part supply strategy or when open ordering resumes.

For questions regarding parts, contact SSSC via the SSSC Web Contact Site.

New! DEALER PRICE

For latest prices, refer to DOES II.

Safety Recall 14822 – Supplement #2
Certain 2007 and 2008 Model Year Edge and MKX Vehicles Operated in Corrosion States
Fuel Tank Corrosion Inspection and Repair

New! PARTS RETENTION AND RETURN

Follow the provisions of the Warranty and Policy Manual, Section 1 "WARRANTY PARTS RETENTION AND RETURN POLICIES."

New! EXCESS STOCK RETURN

Excess stock returned for credit must have been purchased from Ford Customer Service Division in accordance with Policy Procedure Bulletin 4000.