



Desi Ujkashevic, Global Director
Automotive Safety Office
Sustainability, Environment & Safety Engineering

Fairlane Plaza South, Suite 400
330 Town Center Drive
Dearborn, MI 48126-2738

February 9, 2018

Ms. Arija Flowers
Trial Attorney, Litigation & Enforcement
National Highway Traffic Safety Administration
1200 New Jersey Avenue, S.E.
Washington, DC 20590

Dear Ms. Flowers:

Subject: Ford Motor Company Notice of Anticipated Shortage and Request for Extension

In accordance with Paragraph 39 of the Agency's December 9, 2016, Third Amendment to the Coordinated Remedy Order ("ACRO"), Ford Motor Company (Ford) is supplementing its request for an extension to the Supply & Launch Deadlines for vehicles in Priority Groups 4 - 8.

On November 9, 2017, NHTSA issued the Fifth Amendment to the November 3, 2015 Coordinated Remedy Order (the "Fifth Amendment") that amended the Supply & Launch Deadlines for Ford for Priority Groups 4 - 8. On November 30 2017, Ford submitted a Notice of Anticipated Shortage and Request for Extension seeking a further extension of the launch schedule set forth in Paragraph 30 of the Fifth Amendment for Priority Groups 4 - 8. A further extension is necessary due to significant setbacks regarding final replacement part validation and the complexity of developing multiple engineering solutions for each vehicle program. At the time of its submission, Ford was not able to provide the Agency with timing as to when sufficient part quantities would be available to launch recalls for these Priority Groups. After subsequent discussions with the Agency, this document supplements Ford's extension request with specific extension request dates.

(i) Explanation

Design/Development/Validation Discussion

Original Plan & Assumptions

In its April 5, 2017, response to the Tolling Supply & Launch Deadline Order, Ford was still in the midst of developing service part solutions for the majority of vehicles assigned to Priority Groups 4 - 8. At that time of its submission, Ford had assumed it could design, develop, and validate inflator kit solutions using guanidine nitrate as a generate, because this alternative offered the shortest time to have sufficient part quantities to

launch recall programs. Ford provided estimated timing in its response assuming it would not encounter setbacks or delays.

Development Setbacks

During the development process, however, Ford encountered several performance issues when the prototype guanidine nitrate inflator was swapped for the original Takata inflator. For example, Ford engineers had observed torn cushion seams or areas where the cushion exhibited burns or areas of melting from the prototype inflator during linear impact testing or static deployment tests. Additionally, during validation testing on a Hyge sled, occupant injury criteria exceeded acceptable values. In some cases, the airbag inflator supplier could provide bookshelf alternative inflators with different output characteristics; while in other cases, the airbag inflator supplier had to develop an entirely new inflator to meet Ford's performance specifications as well as Federal Motor Vehicle Safety Standards. In the event no alternative inflator exhibited acceptable performance, Ford needed to redesign the entire driver or passenger airbag module. This effort requires refurbishing or modifying the existing tooling or the development of entirely new tools.

As a result of Ford's development process, the service kit solutions have segregated into the following populations:

Inflator Kit Solutions

1. Ranger 2004 - 2006 (DAB)
2. Ranger 2007 - 2011 (PAB)
3. Mustang 2005 - 2006 (PAB)
4. Mustang 2010 - 2015/GT 2005 - 2006 (PAB)

Module Solutions

1. Fusion/Milan 2006 - 2009 (PAB)
2. Fusion/Milan 2010 - 2012 (PAB)
3. MKZ 2006 - 2009 (PAB)
4. MKZ 2010 - 2012 (PAB)
5. Edge 2007 - 2010 (PAB)
6. MKX 2007 - 2010 (PAB)

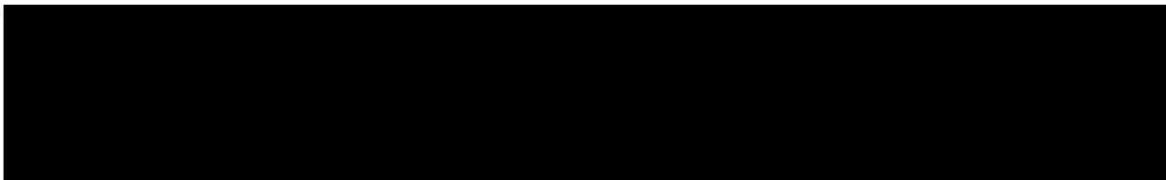
Airbag Module Production Capacity Issues

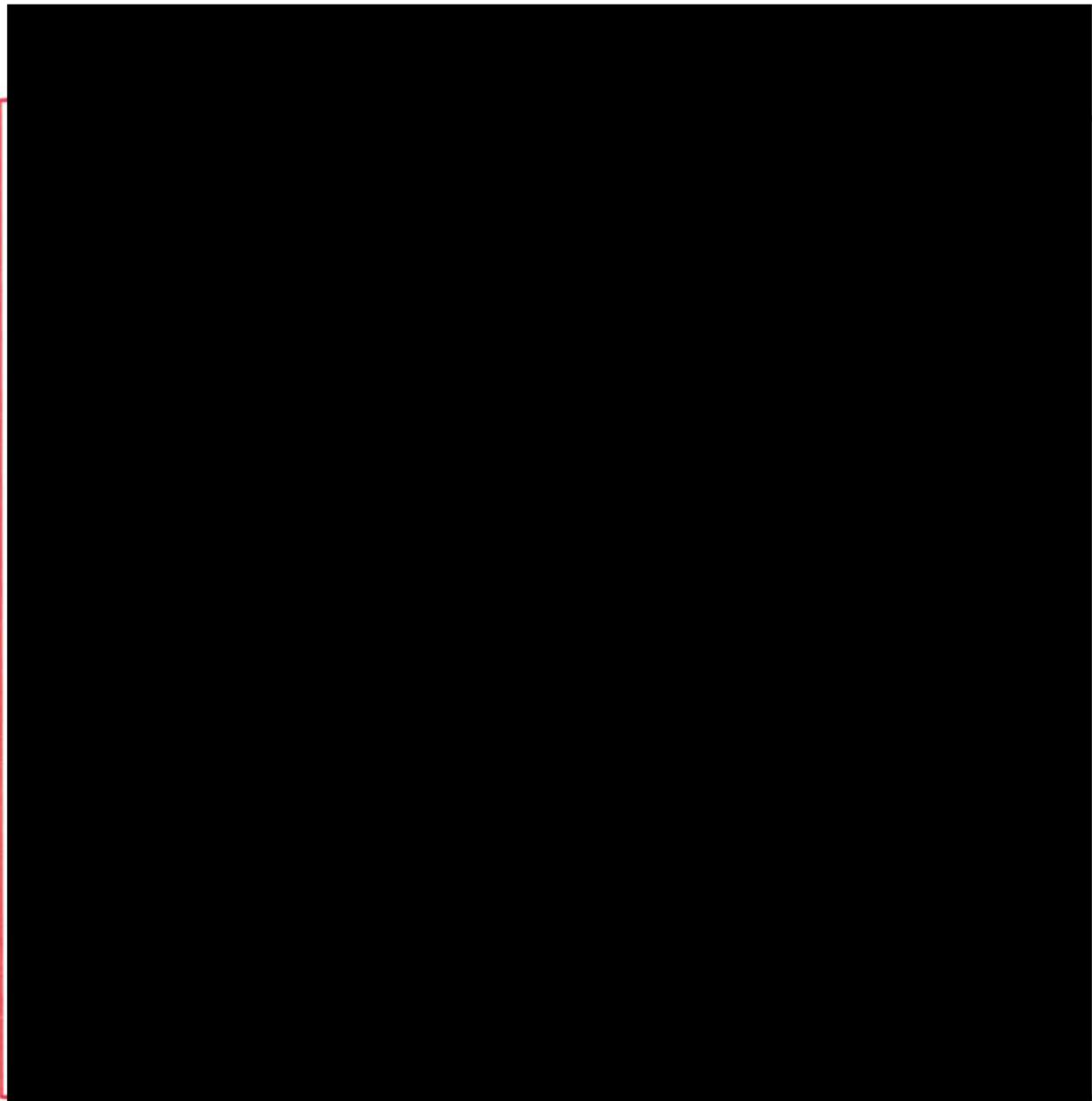
Airbag modules require reestablishing production lines, refurbishing tools, and acquiring new tooling (double seam sewing machines).

Each of the service kit solutions have their own unique production timing requirements, where inflator kit solutions will start production earlier than module solutions. The production timing for each service kit will influence when sufficient part quantities will be on-hand to launch a program.

(ii) Remedy Part Selection, Validation, and Development Process

With the unprecedented urgency to provide service airbag inflators, Ford created a dedicated team of product development engineers, supported by service engineers, purchasing, and part supply and logistics staff to identify opportunities to reduce the time to bring inflator service parts to market. Under normal circumstances, manufacturers require several years to design, develop, and validate original equipment airbag modules. In contrast, to develop replacement Takata airbag inflator replacement parts, Ford developed innovative methods to reduce the time to provide service parts. A brief description of Ford's recall service part development and validation process is provided:





(iii) Sufficient Remedy Part Supply Sourcing

Ford has made a substantial effort to engage the global supply base, including those airbag inflator suppliers for which we did not have a production relationship. Product development has reviewed numerous alternative inflators to identify candidates for further analysis. Ford is also securing inflator production capacity in advance of having a final part developed from [REDACTED]. In order to meet production capacity requirements for the dual stage passenger airbag inflator, Ford pre-purchased new inflator production line.

(iv) Replacement Part Quantities

Ford is providing the number of affected vehicles as reported in the January 19, 2018 Monitor Dashboard and the number of replacement parts it reasonably believes will be available by the "Supply & Launch Deadline" specified in the Fifth Amendment in Appendix A.

(v) Extension Request Date

Ford is in the process of engineering, validating, and producing service kits for a portion of the vehicles in Priority Groups 4 - 8. Ford is providing an update to the Requested Supply & Launch Dates in Appendix B.

If you have any questions concerning this response, please feel free to contact me.

Sincerely,



Desi Ujkashevic
Attachments

Remedy Part Quantities

Priority Group	Model Year(s)	Make	Model	Inflator	Zone	Vehicles Affected	Sufficient Supply & Remedy Launch Deadline per ACRO5	Parts Available per ACRO5 Date
4	2005-2006	Ford	GT	PAB	A	1,925	November 30, 2017	Launched
	2005-2006	Ford	GT	PAB	Non-A	863	December 31, 2017	Launched
	2005-2009	Ford	Mustang	PAB	A	323,357	November 30, 2017	0 (0%)
	2010-2011	Ford	Mustang	PAB	A	75,613	November 30, 2017	Launched
	2005-2008	Ford	Mustang	PAB	Non-A ⁽¹⁾	188,212	December 31, 2017	0 (0%)
	2004-2006	Ford	Ranger	DAB	A	129,827	November 30, 2017	Launched
	2004-2006	Ford	Ranger	DAB	Non-A ⁽²⁾	228,793	December 31, 2017	Launched
5	2007-2009	Ford	Edge	PAB	A	105,875	December 31, 2017	0 (0%)
	2007-2009	Ford	Fusion	PAB	A	184,182	December 31, 2017	0 (0%)
	2007-2009	Ford	Ranger	PAB	A	101,480	December 31, 2017	0 (0%)
	2007-2009	Lincoln	MKX	PAB	A	31,711	December 31, 2017	0 (0%)
	2006-2009	Lincoln	Zephyr/MKZ	PAB	A	41,555	December 31, 2017	0 (0%)
	2006-2009	Mercury	Milan	PAB	A	36,697	December 31, 2017	0 (0%)
6	2010	Ford	Edge	PAB	A	43,053	January 31, 2018	0 (0%)
	2007-2008	Ford	Edge	PAB	Non-A ⁽¹⁾	111,741	February 28, 2018	0 (0%)
	2010-2011	Ford	Fusion	PAB	A	164,470	January 31, 2018	0 (0%)
	2006-2008	Ford	Fusion	PAB	Non-A ⁽¹⁾	180,406	February 28, 2018	0 (0%)
	2010-2011	Ford	Ranger	PAB	A	66,917	January 31, 2018	0 (0%)
	2007-2008	Ford	Ranger	PAB	Non-A ⁽¹⁾	60,146	February 28, 2018	0 (0%)
	2010	Lincoln	MKX	PAB	A	7,514	January 31, 2018	0 (0%)
	2007-2008	Lincoln	MKX	PAB	Non-A ⁽¹⁾	30,626	February 28, 2018	0 (0%)
	2010-2011	Lincoln	Zephyr/MKZ	PAB	A	18,387	January 31, 2018	0 (0%)
	2006-2008	Lincoln	Zephyr/MKZ	PAB	Non-A ⁽¹⁾	42,299	February 28, 2018	0 (0%)
	2010-2011	Mercury	Milan	PAB	A	12,613	January 31, 2018	0 (0%)
	2006-2008	Mercury	Milan	PAB	Non-A ⁽¹⁾	48,103	February 28, 2018	0 (0%)
7	2012	Ford	Fusion	PAB	A	103,581	February 28, 2018	0 (0%)
	2012	Ford	Mustang	PAB	A	46,523	February 28, 2018	Launched
	2012	Lincoln	Zephyr/MKZ	PAB	A	12,781	February 28, 2018	0 (0%)
8	2009	Ford	Edge	PAB	B	20,480	May 31, 2018	0 (0%)
	2007-2008	Ford	Edge	PAB	C	48,506	June 30, 2018	0 (0%)
	2009	Ford	Fusion	PAB	B	47,267	May 31, 2018	<10% ⁽⁴⁾
	2006-2008	Ford	Fusion	PAB	C	79,111	June 30, 2018	<10% ⁽⁴⁾
	2005-2006	Ford	GT	PAB	C	534	June 30, 2018	N/A ⁽³⁾
	2009	Ford	Mustang	PAB	B	14,573	May 31, 2018	N/A ⁽³⁾
	2005-2008	Ford	Mustang	PAB	C	62,587	June 30, 2018	N/A ⁽³⁾
	2009	Ford	Ranger	PAB	B	20,730	May 31, 2018	N/A ⁽³⁾
	2007-2008	Ford	Ranger	PAB	C	27,539	June 30, 2018	N/A ⁽³⁾
	2009	Lincoln	MKX	PAB	B	4,960	May 31, 2018	<10% ⁽⁴⁾
	2007-2008	Lincoln	MKX	PAB	C	13,269	June 30, 2018	N/A ⁽³⁾
	2009	Lincoln	Zephyr/MKZ	PAB	B	7,966	May 31, 2018	N/A ⁽³⁾
	2006-2008	Lincoln	Zephyr/MKZ	PAB	C	18,209	April 30, 2018	<10% ⁽⁴⁾
	2009	Mercury	Milan	PAB	B	9,011	May 31, 2018	<10% ⁽⁴⁾
2006-2008	Mercury	Milan	PAB	C	22,320	June 30, 2018	0 (0%)	

⁽¹⁾ NHTSA has clarified the definition of "Non-Zone A" as being Zone B.

⁽²⁾ For the 2004-2006 MY Ford Rangers, "Non-Zone A" is defined as Zone B and Zone C.

⁽³⁾ No additional extension is requested.

⁽⁴⁾ Part quantity affected by rate/flow of new parts and completion rates of previous priority groups.

Requested Supply and Launch Dates

February 9, 2018

Priority Group	Model Year(s)	Make	Model, Inflater Position & (Zone)	ACRO5 Sufficient Supply & Remedy Launch Dates	Owner Letter Mailing Start Date Extension Request ⁽¹⁾
4	2005-2006	Ford	GT PAB (A)	November 30, 2017	February 2, 2018 ⁽³⁾
	2005-2006	Ford	GT PAB (Non-A)	December 31, 2017	February 2, 2018 ⁽³⁾
	2005-2009	Ford	Mustang PAB (A)	November 30, 2017	April 13, 2018
	2010-2011	Ford	Mustang PAB (A)	November 30, 2017	February 2, 2018 ⁽³⁾
	2005-2008	Ford	Mustang PAB (Non-A)	December 31, 2017	April 13, 2018
	2004-2006	Ford	Ranger DAB (A)	November 30, 2017	December 22, 2017 ⁽³⁾
	2004-2006	Ford	Ranger DAB (Non-A)	December 31, 2017	January 15, 2018 ⁽³⁾
5	2007-2009	Ford	Edge PAB (A)	December 31, 2017	July 13, 2018
	2006-2009	Ford	Fusion PAB (A)	December 31, 2017	June 29, 2018
	2007-2009	Ford	Ranger PAB (A)	December 31, 2017	May 4, 2018
	2007-2009	Lincoln	MKX PAB (A)	December 31, 2018	June 1, 2018
	2006-2009	Lincoln	Zephyr/MKZ PAB (A)	December 31, 2017	May 11, 2018
	2006-2009	Mercury	Milan PAB (A)	December 31, 2017	June 29, 2018
6	2010	Ford	Edge PAB (A)	January 31, 2018	July 20, 2018
	2007-2008	Ford	Edge PAB (Non-A)	February 28, 2018	August 3, 2018
	2010-2011	Ford	Fusion PAB (A)	January 31, 2018	October 12, 2018
	2006-2008	Ford	Fusion PAB (Non-A)	February 28, 2018	July 20, 2018
	2010-2011	Ford	Ranger PAB (A)	January 31, 2018	May 11, 2018
	2007-2008	Ford	Ranger PAB (Non-A)	February 28, 2018	May 11, 2018
	2010	Lincoln	MKX PAB (A)	January 31, 2018	June 8, 2018
	2007-2008	Lincoln	MKX PAB (Non-A)	February 28, 2018	June 15, 2018
	2010-2011	Lincoln	Zephyr/MKZ PAB (A)	January 31, 2018	August 15, 2018
	2006-2008	Lincoln	Zephyr/MKZ PAB (Non-A)	February 28, 2018	May 18, 2018
	2010-2011	Mercury	Milan PAB (A)	January 31, 2018	September 14, 2018
	2006-2008	Mercury	Milan PAB (Non-A)	February 28, 2018	July 20, 2018
7	2012	Ford	Fusion PAB (A)	February 28, 2018	October 26, 2018
	2012	Ford	Mustang PAB (A)	February 28, 2018	N/A ⁽²⁾
	2012	Lincoln	Zephyr/MKZ PAB (A)	February 28, 2018	September 14, 2018
8	2009	Ford	Edge PAB (B)	May 31, 2018	August 3, 2018
	2007-2008	Ford	Edge PAB (C)	June 30, 2018	August 10, 2018
	2009	Ford	Fusion PAB (B)	May 31, 2018	July 27, 2018
	2006-2008	Ford	Fusion PAB (C)	June 30, 2018	August 3, 2018
	2005-2006	Ford	GT PAB (C)	June 30, 2018	N/A ⁽²⁾
	2009	Ford	Mustang PAB (B)	May 31, 2018	N/A ⁽²⁾
	2005-2008	Ford	Mustang PAB (C)	June 30, 2018	N/A ⁽²⁾
	2009	Ford	Ranger PAB (B)	May 31, 2018	N/A ⁽²⁾
	2007-2008	Ford	Ranger PAB (C)	June 30, 2018	N/A ⁽²⁾
	2009	Lincoln	MKX PAB (B)	May 31, 2018	June 15, 2018
	2007-2008	Lincoln	MKX PAB (C)	June 30, 2018	N/A ⁽²⁾
	2009	Lincoln	Zephyr/MKZ PAB (B)	May 31, 2018	N/A ⁽²⁾
	2006-2008	Lincoln	Zephyr/MKZ PAB (C)	April 30, 2018	May 18, 2018
	2009	Mercury	Milan PAB (B)	May 31, 2018	July 27, 2018
2006-2008	Mercury	Milan PAB (C)	June 30, 2018	August 10, 2018	

⁽¹⁾ These dates include some additional timing to avoid the need for another extension request in the event of minor unforeseen circumstances. Ford will work toward an internal deadline to launch as quickly as possible.

⁽²⁾ No additional extension requested.

⁽³⁾ At the time of this report, Ford has confirmed the program launch to all affected priority group vehicle owners.