

**PART 573 Defect and Noncompliance Report**

Date: **March 26<sup>th</sup> 2013**

This report serves as **Federal Corporation**'s notification to the U.S. Department of

Transportation, National Highway Traffic Safety Administration that a "noncompliance with Federal Motor Vehicle Safety Standards" exists in certain **tires**. **Federal Corporation** decided that this "noncompliance" existed in these **tires** on **March 26<sup>th</sup> 2013**.

**I. Manufacturer, Designated Agent, and Other Chain of Distribution Information**

Manufacturer's corporate name: **Federal Corporation**

Equipment's brand or trademark name owner(s) (where applicable):

**Federal Corporation**

Designated Agent (imported equipment):

**Vcorp Services, LLC**  
**1811 Silverside Road**  
**Wilmington, DE 19810**  
**Tel: 845-425-0077**

If this notification concerns equipment that was installed in new motor vehicles or new items of motor vehicle equipment, identify by name, address, and telephone number each vehicle manufacturer and equipment manufacturer who purchased that equipment:

**Not Applicable (NA)**

If this notification concerns a defective or noncompliant component that the above identified manufacturer did not manufacture, identify that component and provide the name, address, and phone number of the manufacturer of the component (if this manufacturer is unknown, provide this information as to the supplier of the component):

**Not Applicable (NA)**

Name, address, email, and phone and fax numbers for the person(s) to whom inquiries about this report should be directed:

Name: Ting-Yuan Yen

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Tel:+886-3-4522156 ext:9100.

Fax: +886-3-4516683

Email:marchyen@federaltire.com.tw

Manufacturer's assigned campaign number (where applicable):

Not Applicable (NA)

## II. Identification of the Recall Population and Its Size

Complete the tables below for each item of equipment subject to this notification. Additional tables may be necessary where there are more than three items subject to a notification.

Type of equipment (e.g., tire, child restraint, headlamp): Tire

Part/Model number: Federal tire brand Couragia A/T P265/75R16 116S

Size and function (where applicable): P265/75R16 116S

Inclusive dates of manufacture (month and year):

DOT UX77 3210~0813

Other information necessary to describe this equipment:

Not Applicable (NA)

Total number of these items of equipment:

Approximately 8,513 pieces of tires

Provide the following information as to all the items of equipment ("the recall population") identified above:

Grand total number of items of equipment in the recall population:

Approximately 8,513 pieces of tires (DOT UX77 3210~0813)

The percentage of the recall population you estimate actually contain the defect or noncompliance: Estimated to be a small percentage, however, unable to determine.

Identify and describe how the recall population was determined (e.g., on what basis the recalled models were selected and how the inclusive dates of manufacture were determined):

28/02/2013: Internal test was conducted and believed the test result does not fully meet FMVSS 139 durability test. Federal Corporation stops production of Couragia A/T P265/75R16 116S.

01/03/2013: Internal investigation to confirm existence of endurance difference, determine extent of the issue and identification of the cause of the difference was conducted on all Couragia A/T series.

21/03/2013: The internal investigation conclude that only Couragia A/T P265/75R16 116S with manufactured date between (DOT UX77 3210~0813) have existence doubt not fully satisfy FMVSS 139 durability test. The affected tires at the Federal Taiwan plant warehouse were segregated which will be scrapped.

### **III. Description of the Defect or Noncompliance and Chronology of Events**

Describe the defect or noncompliance, including a summary and detailed description of the nature and physical location (if appropriate) of the defect or noncompliance. Graphic aids should be provided where necessary.

The tires could result partial tread shoulder chunking during endurance test.

Describe the cause(s) of the defect or noncompliance condition.

The thicker tread rubber on the tires result excessive heat causes tread shoulder chunking.

Describe the consequence(s) of the defect or noncompliance condition.

The tread shoulder chunking may affect the performance of the tire.

Identify any warning(s) that may precede the defect or noncompliance condition.

Excessive noise and/ or vibration from tire

*For defects*, provide a dated, chronological summary of all the principle events that were the basis for the determination that the defect is related to motor vehicle safety, including a summary of all warranty claims, field or service reports, and other information such as numbers of crashes, injuries and fatalities.

Only two warranty claims reported.

None of motor vehicle accident occurred so far during this point of time.

*For noncompliances*, identify the test results and other information considered in determining the existence of the noncompliance, and provide the date of each test and observation indicative of that noncompliance.

Tire tested in February, 2013 P265/75R16 116s Couragia A/T non compliances

with FMVSS 139 section S6.3.2

#### **IV. The Remedy Program and Its Schedule**

Describe the program for remedying the defect or noncompliance, including the plan for reimbursing those owners and purchasers who may have incurred costs to remedy the defect or noncompliance before receiving the manufacturer's notification concerning that defect or noncompliance. Also include, where applicable, details with dates concerning any production remedy that was conducted or will be conducted.

##### **Description of Proposed Remedy**

Federal Corporation plans to remedy the noncompliance by replacement without charge of the recalled tires with the same tire that has no defect. The replacement tires will have DOT week after 1213.

##### **Campaign Schedule and Draft Notices**

Federal Corporation plans to conduct the recall campaign by following the schedule below:

Once compilation of a list of individual customers who purchased the affected tires is completed, notice to distributors, dealers, and owners will be sent by certified mail or by regular mail as appropriate within five (5) business days following receipt of a written acknowledgement from National Highway Traffic Safety Administration. This Notice will offer a full replacement without charge for a Three-month period. After said Three-month period, a pro-rata credit toward the replacement cost of a new tire will be offered, with the pro-rata share based on remaining tread depth. We expect replacement tires will be generally available throughout the recall period.

Federal Corporation has maintained a list of the names and addresses of the first purchasers of the recalled tires. Federal Corporation will send a recall notice to each and every owner of the recalled tires registered.

**THE SAFETY RECALL IS EXPECTED TO BEGIN DURING June 2013 ,  
OWNERS MAY CONTACT toll free line AT 1-855-444-8250.**

Provide the estimated date(s) on which owner and purchaser notifications will be issued and the estimated date(s) for completion of those notifications.

**Approximate April 30<sup>th</sup>, 2013 completed the notification**

Provide the estimated date(s) on which dealer and distributor notifications will be issued and the estimated date(s) for completion of those notifications.

**Approximate April 30<sup>th</sup>, 2013 completed the notification**

Describe the distinguishing characteristics of the remedy component/assembly versus the recalled component/assembly.

DOT CODE UX77 Week on and after 1213