PACKARD MOTOR CAR COMPANY

DETROIT MICHIGAN

January 21, 1932

AN I		1
1NN	1	-

REFER TO THIS LETTER BY NUMBER

PACKARD DISTRIBUTERS AND DEALERS

Subject PACKARD WARRANTY AND OWNER'S SERVICE POLICY

Gentlemen:

On February 1, 1932 a new Warranty and a new Owner's Service Policy will become effective and applicable on cars delivered on and after that date.

Briefly, the changes are as follows:

Under the Warranty of the Packard Motor Car Company, all parts, including standard equipment furnished by outside vendors, with the exception of tires, will be warranted against defect for 90 days or 4,000 miles, whichever comes first.

Under the Service Policy to owners, Dealers and Distributers will replace, free of charge for materials and labor, any such part, including the standard equipment furnished by outside vendors except tires, for a period of 90 days or 4,000 miles, whichever comes first.

Owners are advised that they are entitled to receive, without charge, three inspections and adjustments during the first 90 days after delivery, by the Dealer or Distributer from whom the car was purchased.

The owner is entitled to have his car tested and inspected, free of charge, every 30 days, or 1,000 miles, provided such inspection or testing requires no dismantling of parts or units.

At the time of delivery the purchaser is provided with a Packard Owner's Service Card which will introduce him to any Authorized Packard Service Station and entitle him to receive service in accordance with this policy. It is imperative that the seller enter the information called for on this card and present it to the new owner at the time the car is delivered, at the same time urging him to read it carefully and keep it always with the car.

In case the owner changes his place of residence, the Packard Dealer or Distributer servicing the locality into which the owner has moved will assume responsibility for the free replacement of any defective parts during the first 90 days or 4,000 miles.

The touring owner is entitled to all the benefits of this policy during the Warranty Period at the service station of any Packard Distributer or Dealer in the United States and Canada. In other words, the tourist will

receive no bill for either material or labor in the event of the replacement of a defective part within the Warranty Period. The service station replacing such part will be credited for the defective part under the terms of the Warranty and will bill the factory for the labor.

In order to assist our Distributers and Dealers in carrying out this Service Policy in the spirit and in accordance with the letter of the rule, the Company will reimburse Dealers and Distributers for one-half the labor cost of replacing any defective part during the Warranty Period, based on the mechanic's time, as listed in the Service Manual, at the adjustment rate of \$1.25 an hour. The factory, when handling approved labor claims covering tourist's warranty work, will credit the distributer submitting the claim for the defective parts and for the full amount of the labor allowance due. Fifty per cent of the labor credit will then be absorbed by the factory and the other fifty per cent recharged to the home distributer of the tourist. This reimbursement of half the labor cost applies only where the replacement of a defective part is involved and does not apply in the case of an operation involving labor only.

If, after the expiration of the Warranty Period, it becomes necessary to replace a part because of evident defect and credit is granted by the Company, the Distributer or Dealer will be expected to install such part free of labor charge to the owner. It is expected that this procedure will be carefully followed in every case unless otherwise specifically authorized by the factory.

The exact wording of the Warranty and the Service Policy and the routine to be followed in carrying out their terms are attached to this trade letter. Additional copies may be obtained by writing the factory.

Nothing contained in this letter shall be construed so as to vary, enlarge or take away any part of the Warranty or of the Service Policy.

Yours very truly,

PACKARD MOTOR CAR COMPANY

J. F. Page

General Service Manager

JFP:PA (d) 2200 Enclosures (3)

Dealers' T. L. No. 101

Packard Distributers and Dealers, when requesting labor allowance from the Factory for work performed on cars which are within the Warranty Period, and as outlined in our Owner's Service Policy, will use form number D-118, Request for Labor Allowance.

All material removed from cars will be handled in accordance with regular routine for handling parts claimed defective. Returned Parts Claim Tag, form D-14, will be issued for each part and these will be submitted to the Service representative or returned to the Factory for disposition. These claim tags must show the serial number of the Request for Labor Allowance.

Form No. D-118, Request for Labor Allowance will be issued in quadruplicate, and copies handled as outlined in the following paragraphs:

DISTRIBUTER'S ROUTINE:

Distributers will fill in the Request for Labor Allowance completely, making sure that all spaces provided are filled in with the proper information. The operation symbol, operation performed, shop time and total rate based on the hourly adjustment rate allowed, must be shown for each operation listed on each request.

- No. 4 Distributer's or Dealer's Hold Copy, will then be held in the Service Office for future reference and for follow-up purposes. Nos. 1 & 2 copies will then be forwarded to Distributer's Returned Goods Department and held until the parts have been passed on by the Service Representative, or returned to the Factory and then distributed as follows:
- No. 1 Factory Copy. Mail to Service Adjustment Division attached to cardboard copies of claim tags covering parts for which labor allowance is requested.
- No. 2 Returned Goods Hold Copy. Hold in Returned Goods Department for future reference and follow-up.
- No. 3 Accounting Department Copy. Forward to your Accounting Department with Accounting Department copy of the Repair Order.

DEALER'S ROUTINE:

Requests for Labor Allowance issued by a Dealer will show his Distributer's name and must also show the Dealer's correct name and address.

A Dealer will list on each Request, his claim tag number in the space headed "Dealer's Claim Tags."

No. 4, Distributor's or Dealer's Hold Copy, will be held by the Dealer for future reference and follow-up purposes.

If extra copy is required by Dealer's Accounting Department, issue additional copy, using blank sheet.

DEALER'S ROUTINE: (Cont'd)

Copies Wos. 1, 2 and 3 will be forwarded by the Dealer to his Distributer with the material properly tagged for which credit is requested.

The Distributer will upon receipt of the Request and the material, handle in the same manner as those issued by the Distributer.

Distributer's claim tag numbers must be shown on the Request.

The No. 1 copy must be approved by the Distributer before either being submitted to the Service Representative or forwarded to the Factory with the claim tags made out by the Distributer.

FACTORY ROUTINE FOR HANDLING REQUESTS FOR LABOR ALLOWANCE ON PARTS RETURNED TO THE FACTORY:

Requests for Labor Allowance and claim tags will be held until the parts are received. If the parts, upon receipt, are adjudged defective and credit is allowed, the time as shown on the Request will be checked and if in order, it will be approved and credit for labor allowance will be issued. Credits for the parts and labor will be issued on SB credit memoranda and applied to the distributer's account.

ROUTINE FOR HANDLING REQUESTS FOR LABOR ALLOWANCE WHERE PARTS HAVE BEEN DISPOSED OF LOCALLY:

Credit will be issued to Distributer promptly upon receipt of the Requests, accompanied by the claim tags, approved by the Service Representative. SB credit memoranda will then be handled as outlined in the preceding paragraph.

In cases where defective parts have been replaced on a tourist's car under the Warranty, the same routine for handling the material and labor will be followed as that for the Distributer's or Dealer's own customers.

Insofar as possible, warranty work on a tourist's car should be limited to the least amount possible in fairness to the tourist's home Distributer or Dealer, and the home Distributer's or Dealer's permission should first be obtained before proceeding with work involving a total labor cost exceeding \$30.00. In cases where the home Distributer or Dealer authorizes the procedure of the work involving a total labor cost exceeding \$30.00, this is to be so specified on the Request for Labor Allowance forwarded to the Factory.

The Factory, when handling approved Labor Requests covering the tourist's warranty work, will credit the Distributer submitting the claim for the defective parts and for the full amount of the labor allowance due. Fifty per cent of the labor credit will then be absorbed by the Factory and the other fifty per cent recharged to the home Distributer of the tourist.