

PACKARD MOTOR CAR COMPANY

DETROIT, MICHIGAN

August 29, 1935

To: PACKARD DISTRIBUTERS AND DEALERS:

Subject: PARTS CREDITS AND LABOR ALLOWANCES TO
PACKARD DISTRIBUTERS AND DEALERS IN CONNECTION
WITH PACKARD WARRANTY AND OWNER'S SERVICE POLICY

TO BE NOTED AND INITIALED BY	

Gentlemen:

This letter cancels and supercedes Trade Letters T-2556, T-2644, T-2649, T-2649A and T-2709.

Effective September 1, 1935, a change is made with respect to labor allowances for mechanical adjustments.

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, Distributers and Dealers 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 necessary adjustments during the first 90 days or 4,000 miles, whichever comes first after delivery.

It is strongly recommended that owners be invited to have their cars tested and inspected every 30 days or 1,000 miles without charge, provided such inspection or testing requires no removal or dismantling of parts or units. The object of this is to assure better performance of cars in owners hands and to obtain a larger volume of Service work.

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 Distributer or Dealer 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 or for mechanical adjustments within the Warranty Period. The service station replacing such parts will be credited for the defective parts 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 Distributers and Dealers for the labor cost of replacing any defective part during the Warranty Period at one-half the prevailing rate charged to customers for labor by the Distributer or Dealer doing the work, based on the time allowed the mechanic as shown in the service manual.

Effective September 1, 1935, labor claims for mechanical adjustments only where no defective material replacement is involved, will not be allowed except when such mechanical adjustment is performed on the car of a "touring" Packard owner during the Warranty Period. (Dealer claims will of course be handled by the Distributer.)

When labor for either parts replacement or mechanical adjustments is performed on a touring Packard owner's car within the Warranty Period the factory will allow the Distributer doing the work or to a Dealer through his Distributer, full time allowance, based on the mechanic's time as listed in the service manual, at \$1.50 an hour. If the claim is approved the Distributer submitting the claim will be reimbursed in full and the factory will absorb fifty per cent of labor credit and the other fifty per cent will be recharged to the home Distributer of the tourist.

NO INVOICE SHOULD BE RENDERED A TOURING PACKARD OWNER COVERING WARRANTY WORK FOR THE REPLACEMENT OF DEFECTIVE PARTS OR MECHANICAL ADJUSTMENTS DURING THE FIRST 90 DAYS OR 4,000 MILES.

Requests for paint adjustments must be handled separately from material or labor claims and submitted to the Factory Service Supervisor to be checked, after which they should be forwarded to the factory where disposition will be made in accordance with the history of each claim.

With each new car shipped from the factory you will receive a U. S. Postal Card, known as Registration of Vehicle Delivery Card. When a car is sold and delivered to a customer this self-addressed card is to be made out immediately and mailed to the factory. The retail delivery date shown on these cards will then become the date from which all claims will be handled. No labor claims for defective parts replacement or mechanical adjustments will be allowed on any vehicles unless the retail delivery date has been registered at the factory through the return of these cards.

All demonstrator cars, which are sold with a new car warranty, should be thoroughly inspected and all necessary adjustments and parts replacements made prior to delivery of the car to the owner.

Demonstrator cars sold to owners after more than six months or more than 5,000 miles of demonstrator service will be considered beyond the labor allowance period and the factory will not share any labor expense on these cars.

Registration of Vehicle Delivery Cards are to be mailed to the factory for all cars when put in demonstrator service and these cards are to be marked DEMONSTRATOR. When these cars are sold to owners at less than six months or less than 5,000 miles, another Registration of Vehicle Delivery Card is to be mailed to the factory showing thereon: OWNER'S NAME, DATE OF DELIVERY, AND ACTUAL MILEAGE AT THE TIME OF DELIVERY.

The accompanying pages cover thoroughly the routine to be followed when requesting labor allowance from the factory for Packard Owner's Service Policy labor.

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.

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.

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Dealers' TL-163

ROUTINE FOR REQUESTING LABOR ALLOWANCE FOR WORK
PERFORMED ON OWNERS' CARS WITHIN THE WARRANTY PERIOD

See Trade Letter T-2757

The Packard Warranty and Owner's Service Policy announced in this letter applies only to retail delivered cars or, in other words, cars which are in the hands of owners, and the period covered is for ninety days or 4,000 miles, whichever comes first, after actual retail delivery date except for the sharing of labor in the replacement of parts found to be defective in demonstrators or undelivered cars.

Packard Distributors and Dealers will receive with each car shipped from the factory a U. S. Postal Card, known as Registration of Vehicle Delivery Card, which is addressed to the Service Adjustment Division at the factory.

When the car is sold at retail or put into demonstrator service, the Postal Card must be IMMEDIATELY MADE OUT and MAILED TO THE FACTORY.

It is very important that all spaces on the card be completely and accurately filled in and signed by someone responsible for the accuracy and prompt mailing of these cards to the factory.

NO LABOR CREDITS WILL BE ALLOWED FOR LABOR OF REPLACING DEFECTIVE PARTS ON CARS IF THE RETAIL DELIVERY DATE HAS NOT PREVIOUSLY BEEN REGISTERED AT THE FACTORY THROUGH THE RETURN OF THESE REGISTRATION CARDS.

Packard Distributors and Dealers, when requesting labor allowance from the factory for replacing defective parts on cars within the Warranty Period, on which the delivery date has previously been registered with the factory, will use form number D-119, Request for Labor Allowance, and the defective parts claim tag number must appear on the request. No requests for labor allowance for mechanical adjustments will be honored except in the case of tourists.

When replacing parts necessary on demonstrators or undelivered cars, the factory will issue credit for 50% of the labor cost involved in the replacement of such material. The return parts claim tag numbers, covering the material removed, must appear on the 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-119, Request for Labor Allowance will be issued in triplicate, and copies handled as outlined in the following paragraphs.

NO REQUEST FOR LABOR ALLOWANCE WILL BE HONORED BY THE FACTORY UNTIL IT HAS BEEN APPROVED BY THE FACTORY SERVICE SUPERVISOR.

DISTRIBUTER'S ROUTINE:

Distributors 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. 1 - Factory Copy. To be forwarded to Factory Service Adjustment Division attached to cardboard copies of claim tags covering parts for which labor allowance is requested.

No. 2 - Distributer's Hold Copy. Hold in issuing Department for future reference and follow-up.

No. 3 - Dealer's Copy. This copy may be used as a Distributer's Accounting Department copy and forwarded to your Accounting Department with the Repair Order if your routine is such that you require an accounting copy of the labor request prior to actual receipt of credit from the factory.

DEALER'S ROUTINE:

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

Copies Nos. 1 & 2 - To be forwarded by the Dealer to his Distributer. The Distributer will, upon receipt of the Request, handle in the same manner as those issued by the Distributer.

No. 3 - Dealer's Copy. Hold for future reference and follow-up.

The No. 1 copy must be approved by the Service Manager of the Distributer before being submitted to the Factory Service Supervisor and must thereafter be approved by the Factory Service Supervisor before any credit will be allowed by the factory.

FACTORY ROUTINE:

Request for Labor Allowance, approved by the Factory Service Supervisor, will be completely checked at the factory for all necessary detail information. The time, symbol and operations shown will be thoroughly checked for correctness. If time and requested amount is in order it will be approved and labor allowance credit memorandum will be issued. Credits for labor will be issued on SBL credit memoranda and applied to the Distributer's account.

ROUTINE FOR HANDLING TOURISTS:

In cases where labor allowance is in order or 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 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 tourist's warranty work, will credit the Distributer submitting the claim 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.

Parts removed from tourist's cars and submitted for credit will, when credit is in order, be credited to the account of the Distributer submitting such parts.