

Ford Motor Company

Myths & Facts About the Explorer

Myth: SUVs are unsafe because they roll over. SUV owners would be better off driving cars.

Fact: That's false. Advances in safety technology have made all types of passenger vehicles safer than the vehicles on the road a generation ago. And Ford's analysis of federal and state government safety data shows that, overall, SUVs are even safer than passenger cars. That's because SUVs are involved in fewer accidents - SUV drivers often have better lines of sight and SUVs are more visible to other drivers. Also, SUV occupants are often better protected when they are involved in collisions.

Although SUVs are involved in more rollover crashes than passenger cars, there is a greater risk of fatality in a passenger car in frontal, side and rear impacts. As a result, SUVs are safer overall.

SUVs do handle differently. That is a key reason that the different handling characteristics are printed on a label appearing on the visor of every SUV all automakers build.

Leading edge safety technology available later this year on the 2002 Ford Explorer - including AdvanceTrac™ electronic stability control and Ford's new Safety Canopy™ - will further reduce the risk of a rollover and serious injury or death if a rollover accident occurs. But a buckled safety belt is still the best and primary line of defense for any adult occupant in a serious accident. Children should of course be in the proper restraint system (child seat, booster seat, etc.) until they are large enough to use adult safety belts.

Myth: The Ford Explorer is more prone to roll over than other SUVs.

Fact: Not true. Ford's analysis of safety data from the U.S. Department of Transportation confirms that over the past 10 years Explorer consistently ranks among the safest vehicles in its class. The fatality rate for passenger cars is 1.5 per 100 million miles of vehicle travel. The rate for compact SUVs is lower - 1.3. And the Explorer is even lower at 1.1.

Focusing on rollover accidents alone, the Explorer is safer than competitive SUVs. Ford analysis of government safety data reveals that the Explorer line is involved in 19 percent fewer fatal rollovers than other similar SUVs. And, state safety data, which covers fatal and non-fatal rollovers, show that Explorers are involved in 16 percent fewer rollovers than competitive SUVs.

Myth: Ford launched this tire replacement effort to shift blame away from the Explorer. Something is wrong with the Explorer, but Ford wants people to think it's just a tire issue.

Fact: Not true. Ford Motor Company is replacing these tires because its number one priority is to ensure the safety of our customers and their

families. Ford's concern is the Wilderness AT tire. The facts are as follows:

First, Ford fitted both Firestone tires and Goodyear tires on Explorers beginning in 1995 and through the 1997 model year. And the difference in performance is dramatic. For the roughly 3 million Firestone tires equipped on about 500,000 Explorers, Firestone's own claims database shows that there have been 1,183 claims of tread separation. For the 3 million Goodyear tires on another 500,000 Explorers (that have traveled more than 25 *billion* miles), there have been only two minor claims of tread separation according to claims information supplied by Goodyear. The performance on the Firestone AT tires on Explorer is 600 times worse than Goodyear tires on Explorer. This remains the only apples-to-apples comparison in this issue. If the vehicle was the issue, or at the very least a contributing factor, the tread separations between the Firestone and Goodyear tires would be in the same ballpark. They are not even close. That's why Ford is replacing the Firestone Wilderness AT tires.

Second, when Ford engineers tested the Wilderness AT tires over the past nine months, they found that the tires were more sensitive to stresses and consistently failed at higher rates, at lower speeds and lighter loads than other tires tested, including the Goodyear tires used on Explorer.

Third, the failure rates of Firestone Wilderness AT tires differ dramatically based on the plant in which they were made. If the vehicle were the cause of these separations, the tire plant location would not make a difference in rate of tread separations reported.

Finally, Firestone CEO John Lampe testified last year before Congress under oath and said the following: "We made some bad tires and we take full responsibility for those." When a Senator asked, "Are bad tires equated to be tires that have defects of some kind," Mr. Lampe responded, "Yes, sir."

Myth: The Firestone tires performed far better on the Ranger than the Explorer. That's proof that the Explorer is part of the reason for these tire failures.

Fact: The tires have performed better on Ranger, however the Firestone tread separation claims on Ranger are still higher than average. And, importantly, the Firestone tread separation claims on Ranger are higher than Goodyear claims on Explorer.

In the June 11, 2001-dated issue of Business Week, Brian O'Neill, president of the Insurance Institute for Highway Safety, was asked about the Explorer-Ranger comparison. He said, "It's an apples-to-oranges comparison that has no validity in my opinion."

Ford agrees with Mr. O'Neill. Tires used on any SUV perform differently compared with tires installed on a pickup. The two vehicles are used differently. SUVs typically weigh more, and frequently are more heavily loaded, putting more stress on the tires. A sensitive tire, like we have discovered with the Wilderness AT, will not perform as well under these conditions.

Nevertheless, the larger-than-average numbers of tread separation claims for Firestone tires on Rangers are proof - proof that these tires should be

replaced. This is why Wilderness AT tires on Ranger are part of Ford's replacement campaign.

Myth: Even if the Explorer does not cause the tread separation, it certainly is more likely to roll over as a result of the tread separation.

Fact: Not true. Ford has conducted many tests comparing Explorer with competitive SUVs and we have shared our findings with the National Highway Traffic Safety Administration. By inducing a tread separation at speeds approaching 70 mph on Explorer and competitive vehicles, with various load conditions, the Explorer's performance before, during and after a tread separation was found to be typical of other SUVs. This exhaustive study was shared with NHTSA and Firestone in March 2001.

The real-world accident experience shows when a Firestone tire separated on an Explorer, a rollover accident occurred on average less than 7 percent of the time. This information is based on Firestone's own claims data. Government data show Explorer and competitive SUVs have similar rollover experience in tire-related accidents. Unfortunately, Firestone tires on Explorer have separated with far greater frequency than tires on other SUVs and, of course, Goodyear tires on Explorer. The two known Goodyear tire separations, out of about 3 million Goodyear tires in service on Explorers over the last six years, did not result in any accidents, rollovers or injuries.

Myth: Safetyforum says that when tires fail on Explorers the results are four times more likely to produce catastrophic rollover than when they fail on other SUVs.

Fact: Ford's analysis of government data show that the Explorer has a considerably better safety record than other SUVs both in terms of fatal crashes and fatal rollover crashes. Safetyforum is misinterpreting data by using unverified reports for a variety of manufacturers. It's also misleading because it compares the Explorer to all light trucks and not just competitive SUVs.

Ford and the U.S. government use tire makers' claims data, not this collection of unverified reports. Even Safetyforum, which is a plaintiff's attorney resource organization, says they do not take into account the tire model in their analysis. The fact is that Ford's testing shows Explorers perform like other SUVs before, during and after a tire tread separation, and real world safety data show that Explorer is among the safest vehicles on the road year after year.

Myth: Internal memos show that Ford knew about the instability of the Explorer years ago and did nothing.

Fact: That's just plain wrong. The Explorer team sought to develop a safe vehicle, recognizing that safety performance among the leaders in its class would help it to become the sales leader. And that's just what they accomplished - over the past 10 years Explorer consistently has ranked among the safest vehicles in its class based on Ford's analysis of the Federal government's real world database of crash statistics. And Explorer has been the best-selling SUV in the world each year.

Memos from engineers working on the original Explorer show them working hard to make it a safety leader, and sweating over small changes necessary for prototype vehicles to pass Ford's stringent internal safety tests that ensure safe, predictable vehicle responses in severe "limit handling" maneuvers. And yes, from time to time, they debated among themselves in their search for the optimum solutions. That is what our engineers get paid to do. If any version of those prototypes didn't pass every stringent test, changes were made until they did. That's exactly why prototypes are built. By the time the first Explorer was driven by the first customer on a real road, the vehicle had passed all of Ford's internal safety tests.

Myth: Ford has spent a lot of time looking at tires as the root cause of the problem and has done little to evaluate Explorer handling due to tire separation and rollover. It seems odd that Ford has relied solely on government data for its analysis.

Fact: While important, government data is not the only part of the evaluation of the Explorer. On March 28 and 29, 2001, Ford presented NHTSA with an exhaustive analysis of Explorer. (This technical analysis is available from NHTSA.) The analysis included stringent on-road and computer-aided testing of the Explorer and comparative SUVs in its class. The analysis dissected the performance of every major component of the Explorer that has anything to do with ride and handling, including emergency handling maneuvers and tread separation of the tires. Contrary to recent Firestone charges, it is a fact that Firestone received this thorough analysis from Ford on March 30, 2001.

The conclusion: Before, during and after a tread separation the Explorer controllability is typical of comparative SUVs. Bring in the government's data and these conclusions are consistent in the real world where analysis of statistics from the U.S. Department of Transportation shows that over the past 10 years Explorer consistently ranks among the safest vehicles in its class. The fatality rate for passenger cars is 1.5 per 100 million miles of vehicle travel. The rate for compact SUVs is lower - 1.3. And the Explorer is even lower at 1.1. Likewise, focusing solely on rollover accidents, the Explorer is safer than its competition. Government figures reveal that Explorers are involved in 19 percent fewer fatal rollovers than other competitive SUVs. The same is true for single-vehicle rollover accidents - Explorer is safer than other similar-sized SUVs.

Myths & Facts About the Firestone Tires

Myth: Explorer's 26 psi recommended tire pressure is too low. That's why the tires failed.

Fact: Not true. The 2.9 million Goodyear tires performing at world-class levels on Ford Explorers convincingly disprove this myth. The recommended tire pressure for the Goodyear tires also was and, importantly, still is 26 psi. Yet the Goodyear tires are not showing the same tread separation problems. If tire pressure were really the issue, why isn't it an issue for the Goodyear tires? In addition, the extensive analysis by Ford and Firestone's independent experts show that inflation pressure generally does not cause tread separations on robust tires unless the tire is operated substantially below 26 psi.

Incidentally, the 16-inch Wilderness AT tires in the replacement program have a recommended pressure of 30 psi. Ford's analysis of Firestone's latest claims data (May 2001) showed increasing failure rates for the 16-inch tires similar to the failure rates of the 15-inch tires made in the same plant.

Myth: Ford told Firestone to decrease tire pressure to 26 psi so the vehicle could pass Ford's handling exercises and/or reduce the center of gravity. That increased the heat of the tire and caused these tread separations.

Fact: Not true. Working with Firestone, Ford engineers selected the recommended tire pressure for Explorer to optimize numerous vehicle and tire characteristics including ride quality and handling. The tire pressure selected - 26 psi - is not unusual. Dozens of other competitive light trucks, SUVs, and passenger cars run on similar sized (15-inch) tires specified at 26 psi. Ford did not recommend 26 psi to lower the Explorer's center of gravity, since tire pressure has nothing to do with a vehicle's center of gravity. A 4 psi decrease (30 psi to 26 psi) lowers the center of gravity by 90 thousandths of an inch (about the thickness of a nickel.)

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Myth: Firestone never agreed with Ford's recommended 26 psi tire pressure.

Fact: Firestone consistently supported Ford's recommended inflation pressure, at least until NHTSA opened its investigation in May 2000. In fact, Firestone delivered tires and paid warranty claims on those tires, year after year, under the 26 psi specification. In addition, the catalogs that Firestone issued to its dealers and customers from 1993 through 2000 state that

Firestone, not just Ford, recommended 26 psi on the 15-inch tires. Furthermore, Firestone CEO Masatoshi Ono, told the Wall Street Journal on August 18, 2000, that "we do not believe Ford's recommendation of 26 psi [pounds per square inch] for our tires was a mistake." Firestone approved the 26 psi recommendation in December 1989, prior to Explorer production. Goodyear also concurred in the recommendation when Ford bought Goodyear tires for Explorer.

Myth: Tires cannot tell where they have been placed on a vehicle. Yet most of the Firestone tread separations on Explorer occurred on the left rear tire. That's a sign it's the vehicle that is causing this.

Fact: False. Firestone claim data shows the same pattern for nearly all trucks and SUVs. It's consistent for GM and Daimler-Chrysler vehicles as well as Ford vehicles - the rear tires have more tread separation claims for property damage or injury than the front tires and the left rear tire tread separation claims outnumber the right rear tire tread separation claims.

Myth: Ford knew, or should have known, last summer that the recall should have been wider and are only now reluctantly replacing all the Wilderness AT tires.

Fact: Not true. Ford didn't have all the information last summer that it has today. Last summer, Ford's review of the Firestone claims data showed alarming failure rates for Firestone 15-inch ATX and Decatur-built 15-inch Wilderness AT tires. And so Ford urged Firestone to recall those tires. The Firestone claims data available to Ford at the time showed other Firestone Wilderness AT tires performing at world-class levels with no crashes, no rollovers, no injuries and no fatalities.

Since last August, Ford has invested nearly 100,000 people-hours studying tires, testing tires on rigs, pouring over field analysis and conducting tire design case studies. Then, after repeated requests, Ford obtained on May 11, 2001, additional claims data from Firestone - another piece of the puzzle that confirmed Ford's research and analysis. That data showed significantly increasing failure rates for some Wilderness AT tires and raised serious questions about the long-term durability of all of the non-recalled Wilderness AT tires. Once it obtained this information, Ford did not wait and took this preventive action to protect its customers.

Myth: Ford replaced the 16-inch Wilderness ATs overseas more than a year ago. That's proof Ford knew about the problem before last summer.

Fact: False. Ford had not, in fact, found the same failure pattern in the U.S. as it had in the overseas locations where unique usage and environmental conditions existed. Nor did Ford see the same failure pattern in the U.S. that it saw overseas. However, more recently we have seen warning signs in the U.S. that led Ford to take this action as a precautionary measure.

Myth: Ford should not have accepted "C" temperature-rated tires from Firestone. They are only tested to 85 mph.

Fact: The Firestone Wilderness AT tires are, in fact, certified to 112 mph at full vehicle loads.

The confusion is that there are two different tests used to rate tire characteristics. One test, for temperature rating, is run on a test drum with huge loads placed on the tire -- far greater than the tires experience in the real world even when the vehicle is fully loaded. The 85-mph threshold a tire must pass on the test drum to be certified actually translates to speeds significantly higher in on-road usage by our customers. A "C" temperature-rated tire is an appropriate tire for a vehicle if the tire is well manufactured and meets the performance criteria set by the automaker. Tires certified with a "C" temperature label have passed a stringent government standard, and are therefore determined to be fully acceptable. In fact, there are millions of "C" tires on some GM, Toyota and Nissan SUVs and light trucks and these tires appear to have performed well.

There is a separate test that certifies tires for a speed rating. This test is run at higher speeds and full vehicle loads. All Wilderness AT tires are speed rated "S" and are certified to 112 mph, substantially higher than the top speed of an Explorer.

Myth: The other companies are not replacing Firestone Wilderness AT tires on their vehicles. That means the tires are fine.

Fact: That is a decision that the other automakers have to make. Ford conducted extensive vehicle and tire testing, analyzed Firestone field data and discussed findings with NHTSA. Ford concluded that there was a growing risk of additional tire failures in the future and decided to replace all Wilderness AT tires on Ford vehicles as a precautionary measure.

Other auto companies may be using different types of Firestone Wilderness tires having different specifications. It is interesting to note that days after supporting their use of Firestone tires, some of these manufacturers acknowledged that they are replacing Firestone tires on future vehicle production.

Myths & Facts About Actions in Venezuela

Myth: The Explorer is still rolling over at high rates in Venezuela. And they now have Goodyear tires. That's more proof that it's not the tire.

Fact: Absolutely false. For one thing, there has been no attempt to make any connection between these accident reports and tire failures. For another, many of these reports of "Explorer rollovers" have actually been other vehicles misreported as Ford Explorers. Other accidents mentioned include an Explorer in heavy traffic that was rear-ended by a large truck and then sandwiched between two heavy vehicles. The vehicle did not roll over, it was not in any way a tire-related incident and, thankfully, the occupants walked away with only scratches. No one, including Firestone, should make claims or allegations based on this data that is, at best, clearly flawed.

Newly obtained data from the Venezuelan transportation authority, SETRA, show that most SUV accidents in Venezuela involve vehicles other than Explorers. In the period 2000 to 2001, there were 701 accidents reported involving SUVs, but only 9 percent involved Explorers.

This data involves both fatal and non-fatal accidents in ten Venezuelan states. Two other competitors' SUVs had more fatal accidents than Explorers in Venezuela. The data was gathered and analyzed from traffic reports in the SETRA records.

The fact is Explorer, in addition to being a very popular SUV in Venezuela, has one of the safest records of any SUV in the country. Explorer's safety record in Venezuela is consistent with its performance in the U.S. where the DOT accident data confirms that Explorer is among the safest vehicles in its class.

Myth: Venezuela may ban the sale of Explorer and that's more proof that it is a dangerous vehicle.

Fact: The misinformed accusations by one Venezuelan investigator, acting on the flawed data mentioned above, does not change the fact that Explorer is a safe vehicle. The investigator has failed to substantiate any of his theories, which do not withstand any serious technical review. The Venezuelan National Assembly established an independent Technical Commission

to review the investigator's allegations. Ford has been working closely with the Technical Commission and has shared its testing and analysis with them. This data and analysis disproves the investigator's allegations, including suggestions that electromagnetic interference or aerodynamic turbulence were causing vehicle rollovers.

We would expect the Venezuelan governmental agencies to act responsibly, not on a misrepresentation of hearsay.