



Mr. M.D. Jordan
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Ford Customer Service Division

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To: All Ford and Lincoln-Mercury Dealers

Subject: Distribution of the Pro-Cut On-Vehicle Brake Lathes



Background

Ford Customer Service Division and Ford Advanced Vehicle Technology, Brake Engineering, have completed development of a program that will significantly improve the brake and rotor machining process. The improvement will result from distribution of the Rotunda Pro-Cut lathe, a hub mounted lathe, that allows rotor machining directly on the vehicle. The equipment is capable of machining all front and rear brake rotors on Ford, Lincoln-Mercury and Light Truck vehicle lines (this does not include Super Duty Trucks). The new equipment will accurately machine brake rotors to meet all Ford dimensional specifications. Unlike caliper mount lathes with many adapters, the new Rotunda Pro-Cut lathe has only five adapters. All of our in-house and dealer pilot testing, at Ford and Lincoln-Mercury dealers, shows that this equipment is quick and easy to use.

Distribution

The Company will provide each dealer (U.S. and Canada) and selected fleet locations a Rotunda Pro-Cut lathe, at no charge. Rotunda will begin shipping lathes to dealers in mid January 1998, on the basis of brake rotor warranty repair volumes. Based on Pro-Cut's production capacity, it will take approximately 10-12 months to ship all lathes.

Before accepting shipment of the Rotunda Pro-Cut lathe, note any obvious damage on the Bill of Landing. If damage is excessive, refuse delivery and contact Rotunda toll free at 1-800-ROTUNDA (press 1). Upon opening and assembling the lathe, note any missing parts and contact Pro-Cut toll free at 1-800-543-6618. Missing parts should be reported within two days following delivery.

Previously Purchased Rotunda Pro-Cut Lathes

Dealers that have previously purchased a Rotunda Pro-Cut lathe (Rotunda item number 201-00001), may choose to receive a second lathe, at no charge, or a 100% refund of their original purchase price. Rotunda Pro-Cut lathes purchased prior to the program, will be updated with a new cutting head, at no charge. All lathes shipped through the program will be equipped with this latest level cutting head. The new cutting head enable the lathes to machine Ford's larger diameter rotors.

Previously Purchased Rotunda Caliper Mount Lathes

Dealers that have previously purchased a Rotunda Accu-Turn or AMMCO On-Vehicle lathes, through the Rotunda Equipment Program, will be provided with an additional Rotunda Pro-Cut lathe, to replace these units, at no charge.

Rotunda Pro-Cut Support

The Rotunda Pro-Cut lathe will be shipped with an equipment video, CD-ROM and an owners manual. These materials detail the specific steps required to operate the lathe.