

IN THE MATTER OF
CHRYSLER CORPORATION

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket C-3084. Complaint, Feb. 17, 1982—Decision, Feb. 17, 1982

This consent order requires a Highland Park, Mich. motor vehicle manufacturer and distributor, among other things, to cease misrepresenting or failing to disclose the limited applicability of material standards for its oil filters and other products; and failing to have competent and reliable substantiation for claims concerning such standards. The firm is required to notify aftermarket manufacturers, dealers and owners of certain vehicles of the inaccuracy of its oil filter material standard, and provide them with ways to avoid or remedy any resulting problems. Further, all future owner and service manuals must contain accurate oil filter use information. The order additionally requires the company to maintain a reasonably-priced subscription service to provide subscribers with up-to-date material standards; and advertise the existence of this service in *Automotive News*.

Appearances

For the Commission: *Jeffrey M. Karp* and *Arturo Gonzalez-Alfonso*.

For the respondent: *Robert T. Talbot-Stern*, *Dennis Goschka* and *Judith B. Shumaker*, in-house counsel, Highland Park, Mich.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Chrysler Corporation, a corporation, hereinafter sometimes referred to as respondent, has violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, Chrysler Corporation, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its principal office and place of business located at 12000 Lynn Townsend Drive, Highland Park, Michigan.

PAR. 2. Respondent is now, and has been, engaged in the offering for sale, sale, and distribution of vehicles and vehicle parts to the public at retail.

PAR. 3. In the course and conduct of its aforesaid business,

respondent causes vehicles and vehicle parts to be shipped to purchasers in various states, and therefore maintains and, at all times mentioned in this complaint, has maintained a substantial course of business, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, as amended.

PAR. 4. For purposes of this complaint, the following definitions shall apply:

a. *Vehicle* shall mean any automobile, pick-up truck, van, or recreational vehicle;

b. *MMC vehicle* shall mean any vehicle manufactured or assembled by or for Mitsubishi Motor Corporation of Japan, or any subsidiary thereof, and sold by Chrysler Corporation in the United States, but shall not mean any vehicle model presently being manufactured by Chrysler Corporation in the United States or Canada or any successor to such model.

c. *Owner* shall mean any individual, partnership, corporation, or other entity in whose name a vehicle is currently or has been previously registered or titled with the appropriate state authority, including, but not limited to, vehicles held for resale;

d. *Material standard* shall mean any document, excluding drawings, which specifies, in whole or in part, performance or material requirements to be used in the design of a particular part for a vehicle.

PAR. 5. In the course and conduct of its said business, respondent knew or should have known that its various material standards for replacement vehicle parts may have been and may now be utilized by manufacturers of replacement vehicle parts in the design of such parts which are ultimately used or purchased by consumers for their vehicles.

PAR. 6. In the course and conduct of its said business, respondent has disseminated and caused the dissemination of its material standard for oil filters, MS-2999, across the state lines through the United States mail and by other various means in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, as amended.

PAR. 7. Through MS-2999, referred to in Paragraph Six, respondent represented and now represents, directly or by implication, that:

a. MS-2999 specifies performance and materials requirements for oil filters made for use on each and every vehicle sold by respondent;

b. if an oil filter meets the performance and materials require-

ments specified in MS-2999, that oil filter will not substantially impair the reliability, durability, or performance of any vehicle sold by respondent on which the oil filter was made to be used;

c. if an oil filter meets the 200 p.s.i. hydrostatic burst strength requirement specified in Paragraph D-2 of MS-2999, that oil filter will not substantially impair the reliability, durability, or performance of any vehicle sold by respondent on which the oil filter was made to be used.

PAR. 8. In truth and in fact, contrary to respondent's representations alleged in Paragraph Seven:

a. MS-2999 does not specify performance and materials requirements for oil filters made for use on each and every vehicle sold by respondent;

b. if an oil filter meets the performance and materials requirements specified in MS-2999, that oil filter may nevertheless substantially impair the reliability, durability, or performance of certain vehicles sold by respondent on which the oil filter was made to be used;

c. if an oil filter meets the 200 p.s.i. hydrostatic burst strength requirement specified in Paragraph D-2 of MS-2999, that oil filter may substantially impair the reliability, durability, and performance of certain vehicles sold by respondent on which the oil filter was made to be used.

Therefore, each representation as alleged in Paragraph Seven is deceptive or unfair.

PAR. 9. In the course and conduct of its said business, respondent has disseminated and caused the dissemination of owner's manuals and service manuals for 1971-1980 model year MMC vehicles across State lines through the United States mail and by other various means in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, as amended.

PAR. 10. By instructing owners of MMC vehicles to "use a high quality filter only" in its MMC owner's manuals and service manuals referred to in Paragraph Nine, respondent represented and now represents, directly or by implication, that any reputable brand of oil filter when used in certain MMC vehicles will not substantially impair the reliability, durability, or performance of such MMC vehicles.

PAR. 11. In truth and in fact, contrary to respondent's representation alleged in Paragraph Ten, certain reputable brands of oil filters when used in certain MMC vehicles may substantially impair the reliability, durability, or performance of such MMC vehicles.

Therefore, the representation as alleged in Paragraph Ten is deceptive or unfair.

PAR. 12. The use on certain MMC vehicles of an oil filter which is not of adequate hydrostatic burst strength may substantially impair the reliability, durability, or performance of such vehicles.

PAR. 13. Respondent knew or should have known of brands and part numbers of replacement oil filters which would not substantially impair the reliability, durability, or performance of certain MMC vehicles, and also knew or should have known of other replacement oil filters on the market which could substantially impair the reliability, durability, or performance of such vehicles.

PAR. 14. Product use and care information which recommends names and part numbers of specific oil filters which are of adequate hydrostatic burst strength to be used on MMC vehicles and which warns that failure to use such filters on MMC vehicles could substantially impair the reliability, durability, or performance of such vehicles, if known to owners, would allow them to avoid substantial economic loss and avoid substantial damage to the engines of their MMC vehicles. Therefore, such information is material product information.

PAR. 15. Respondent has at no time disclosed to owners of 1971-1980 model year MMC vehicles, through its owner's manuals or service manuals for MMC vehicles or otherwise, either brands and part numbers or replacement oil filters which would not substantially impair the reliability, durability, or performance of MMC vehicles or the fact that failure to use such filters on MMC vehicles could substantially impair the reliability, durability, or performance of such vehicles. Therefore, Chrysler's failure to disclose this material product information is deceptive or unfair.

PAR. 16. In the course and conduct of its business, and at all times mentioned herein, respondent has been, and is now, in substantial competition in or affecting commerce with corporations, firms, and individuals engaged in the sale of merchandise of the same general kind and nature as merchandise sold by respondent.

PAR. 17. The acts and practices of respondent, as herein alleged, were and are all to the prejudice and injury of the public and of respondent's competitors, and constituted, and now constitute, unfair methods of competition and unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, as amended. The acts and practices of respondent, as herein alleged, are continuing and will continue in the absence of the relief herein requested.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent, its attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it has reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Chrysler Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 12000 Lynn Townsend Drive, in the City of Highland Park, State of Michigan.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

For purposes of this order, the following definitions shall apply:

1. *Vehicle* shall mean any automobile, pickup truck, van, or recreational vehicle.

2. *MMC vehicle* shall mean any vehicle manufactured or assembled by or for Mitsubishi Motor Corporation of Japan, or any

subsidiary thereof, and sold by Chrysler Corporation in the United States, but shall not mean any vehicle model presently being manufactured by Chrysler in the United States or Canada or any successor to such model.

3. *Material Standard* shall mean any document, excluding drawings, which specifies, in whole or in part, performance or material requirements to be used in the design of a particular part for a vehicle.

4. *Dealer* shall mean any individual or other entity in the United States with which Chrysler Corporation has a Direct Dealer Agreement or an agreement of another name which is substantially similar to a Direct Dealer Agreement in nature.

5. *Owner* shall mean any individual or other entity in whose name a vehicle is currently or has been previously registered or titled with the appropriate state authority, including, but not limited to, vehicles held for resale.

6. *Current owner* shall mean any owner in whose name a vehicle is currently registered or titled with the appropriate state authority according to information provided respondent by a commercial locator service engaged by respondent pursuant to the provisions of Part IX of this order.

7. *Original owner* shall mean any individual or other entity to whom respondent's records show the original sale of the vehicle from a Chrysler Corporation dealer.

8. *Purchaser* shall mean any individual or other entity to whom a vehicle is sold on or after the first date any particular notice is disseminated by respondent pursuant to the provisions of this order to any current or original owner.

Part I

It is ordered, That respondent Chrysler Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, directly or indirectly or through any corporation, subsidiary, division, or other device, in connection with the manufacture, advertising, offering for sale, sale or distribution of any vehicle or vehicle part, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, as amended, do forthwith cease and desist from representing, directly or by implication, in any Chrysler material standard for oil filters, that an oil filter which meets a hydrostatic burst strength requirement of 200 pounds per square inch will or may be capable of withstanding any oil pressure generated in the lubricating system of any MMC or Omni/Horizon

vehicle under any operating condition, assuming no malfunction of the lubricating system unless, at the time of making such representation, respondent possesses and relies upon competent and reliable engineering evidence which substantiates the truthfulness of such representation.

Part II

It is further ordered, That respondent Chrysler Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, directly or indirectly or through any corporation, subsidiary, division, or other device, in connection with the manufacture, advertising, offering for sale, sale or distribution of any vehicle or vehicle part, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, as amended, do forthwith cease and desist from:

A. representing, directly or by implication, that any of respondent's material standards apply to every vehicle sold by respondent unless, at the time of making such representation, respondent possesses and relies upon a reasonable basis, consisting of competent and reliable engineering evidence, which substantiates such representation.

B. failing to disclose clearly and conspicuously in any of respondent's material standards, in those cases where such standard does not apply in all respects to every vehicle sold by respondent, that such standard is limited in its applicability.

C. representing, directly or by implication in any of respondent's material standards, any performance or material requirement for any replacement part to which such standard applies unless, at the time of making such representation, respondent possesses and relies upon a reasonable basis, consisting of competent and reliable engineering evidence, which substantiates such representation.

D. failing to disclose clearly and conspicuously in writing to each person to whom respondent provides any material standard(s), at the same time such standard is provided to such person, that (i) material standards are subject to constant revision, and (ii) respondent's Engineering Standards and Product Information Office, or the then current equivalent office by name, is in possession of the most current versions of all material standards, and (iii) respondent offers, at reasonable cost, a subscription service to its material standards through its Engineering Standards and Product Information Office, or the then equivalent office by name, which will automatically provide any subscriber with the most current version of any material

standard subscribed to, and (iv) non-subscribers should make sure they have the most current version of any particular material standard.

Part III

It is further ordered, That respondent Chrysler Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, directly or indirectly or through any corporation, subsidiary, division, or other device, in connection with the manufacture, advertising, offering for sale, sale or distribution of any vehicle or vehicle part, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, as amended, shall:

A. 1. offer at reasonable cost a subscription service to its material standards to any individual or other entity that pays the required annual subscription fee.

2. allow subscription at reasonable cost to any particular subject category, or other grouping of related material standards, or to all of its material standards depending on the subscriber's choice.

3. supply promptly to each subscriber the most current version of any particular material standard to which that subscriber has subscribed at the time such version first becomes available.

B. no later than thirty (30) days after this order is served upon respondent, purchase to be placed in six (6) consecutive issues of *Automotive News* which contain the service management section of that publication, beginning as soon as space becomes available, a black and white display advertisement, no smaller than three (3) columns by six (6) inches in size which effectively communicates the following information: (i) respondent's material standards for parts are available to any individual or company at reasonable cost through a subscription service; and (ii) the subscription service allows the subscriber to choose whether to receive part or all of respondent's material standards; and (iii) the subscription service will automatically provide most current versions of all material standards subscribed to; and (iv) more information about the subscription service may be obtained by contacting respondent's Engineering Standards and Product Information Office, or the then equivalent office by name.

Part IV

It is further ordered, That respondent Chrysler Corporation, a

corporation, its successors and assigns, and its officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacture, advertising, offering for sale, sale or distribution of any MMC vehicle, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, as amended, do forthwith cease and desist from representing, directly or by implication, in any post-purchase written communication to any owner or purchaser of any MMC vehicle, including, but not limited to, any communication in owner's manuals or service manuals, that any replacement part recommended for use in such vehicles will not or may not substantially impair the reliability, durability, or performance of such vehicle unless, at the time of making such representation, respondent possesses and relies upon a reasonable basis, consisting of competent and reliable engineering evidence, which substantiates such representation.

Part V

It is further ordered, That respondent Chrysler Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, directly or indirectly or through any corporation, subsidiary, division or other device, in connection with the manufacture, advertising, offering for sale, sale, or distribution of any MMC vehicle, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, as amended, shall:

A. once it ascertains, or should have ascertained, had it used due care, that use and care information supplied in writing to owners of any MMC vehicle or part thereof, if followed, could substantially impair the reliability, durability or performance of such vehicle, provide within sixty (60) days revised or additional information to:

- a) each current owner, where the information pertains to any model year prior to the then current model year MMC vehicle; and
- b) each original owner, where the information pertains to the then current model year MMC vehicle; and
- c) each purchaser, where the information pertains to unsold MMC vehicles.

This revised or additional information shall clearly explain, in a conspicuous and easily readable format, the cause and nature of the problem and clearly state what steps, if known, can be taken to avoid it. This information shall be provided by letter or postcard where

current and/or original owners are to be notified. This information shall be provided at the time of sale by an insertion placed into the owner's manual which accompanies any affected unsold vehicle, where purchasers are to be notified.

B. accurately maintain the following records which may be inspected by Commission staff members upon fifteen (15) day's notice: all communications from any source concerning substantial impairment of vehicle reliability, durability or performance which (1) specifically refer to possibly erroneous use and care information or (2) respondent should reasonably understand from the content of the communication relate to possibly erroneous use and care information covered by Part V.A. of this order. Such records shall include, but not be limited to (a) all written communications; and (b) all oral communications which are reduced to writing and maintained in the ordinary course of business.

For purposes of this part of the order, *use and care information* shall mean any information disseminated by respondent regarding routine and periodic maintenance or servicing of a MMC vehicle, including, but not limited to, information disseminated in owner's manuals or service manuals.

Part VI

It is further ordered, That:

A. respondent shall send to each oil filter manufacturer whose name and address is listed on Exhibit A, a copy of the letter marked Exhibit B and a copy of Chrysler Specification MS 2999 within thirty (30) days after service of this order.

B. respondent shall send to each of its dealers, via respondent's normal service bulletin routing procedure, a copy of the Technical Service Bulletin marked Exhibit C and a copy of the Parts Marketing Bulletin marked Exhibit D within thirty (30) days after service of this order.

C. respondent shall send to each of its aftermarket parts wholesalers a copy of the Technical Service Bulletin marked Exhibit C and a copy of the Wholesaler Bulletin marked Exhibit E within thirty (30) days after service of this order.

D. respondent shall send to each of its warehouse distributors a copy of the Technical Service Bulletin marked Exhibit C and a copy of the Warehouse Distributor Bulletin marked Exhibit F within thirty (30) days after service of this order.

E. respondent shall send on a 4 1/4" x 5 1/4" postcard to each current owner of any 1971-1980 model year MMC vehicle with a

1600 cubic centimeter engine and to each current owner of any 1974-1980 MMC vehicle with a 2000 cubic centimeter engine a copy of Exhibit G within sixty (60) days after service of this order.

F. Respondent shall, beginning in the 1982 model year, effectively communicate the following information in a clear and conspicuous manner in its owner's manuals that accompany MMC vehicles with 1600 or 2000 cubic centimeter engines:

(1) that serious engine damage may occur because of oil filter failure, unless they use an oil filter that is strong enough to withstand engine oil pressures of at least 256 pounds per square inch; and

(2) the brand name and part number of at least one replacement oil filter which is adequate for use on such vehicle.

Provided, however, respondent shall no longer be required to make the disclosure set forth in Part VI.F. of this order if respondent can show, to the satisfaction of the staff of the Federal Trade Commission, that peak oil pressures typically generated by the engine of such MMC vehicle at start under cold ambient conditions do not significantly exceed peak oil pressures typically generated by the engines of respondent's domestic vehicles at start under cold ambient conditions.

For the purpose of Part VI.F. of this order, *domestic vehicle* shall mean any vehicle in which the engine is manufactured by Chrysler Corporation, as of the date this Agreement Containing Consent Order to Cease and Desist is signed by respondent.

Part VII

It is further ordered, That respondent shall accurately maintain the following records which may be inspected by Commission staff members upon fifteen (15) days' notice:

A. A list containing the name and address of:

1) each oil filter manufacturer to whom Exhibit B and a copy of Chrysler Specification MS 2999 was sent and the date such exhibit and Chrysler Specification MS 2999 were sent to each;

2) each dealer to whom Exhibit C and Exhibit D was sent and the date such bulletins were sent to each;

3) each aftermarket parts wholesaler to whom Exhibit C and Exhibit E was sent and the date such exhibits were sent to each;

4) each warehouse distributor to whom Exhibit C and Exhibit F was sent and the date such bulletins were sent to each;

5) each current owner of an MMC vehicle to whom Exhibit G was sent and a list with the date such exhibit was sent to each;

B. All communications received by respondent after the date this order is served on respondent from any source concerning a failed oil filter on any MMC vehicle. Such documents shall include, but not be limited to (a) all written communications; and (b) all oral communications which are reduced to writing and maintained in the ordinary course of business.

C. All records referred to in Part VIII shall be retained by respondent for a period of three (3) years from the last date appearing on any list referred to in this part of the order.

Part VIII

It is further ordered, That all correspondence required by the provisions of this order shall be sent, via first class mail. All correspondence to be sent in a letter shall be on respondent's corporate stationery. All envelopes, and where postcards are permitted to be used, the front side of the postcard, shall contain no marking other than respondent's name and return address, the name and address of the addressee, and the words "IMPORTANT NOTICE" conspicuously disclosed.

Part IX

It is further ordered, That respondent shall engage a commercial locator service, as required to be in compliance with the provisions of this order, to search, in the same manner that it conducts similar such search requests, all vehicle registration and title lists in the United States for the name and address of each individual or other entity in whose name any affected MMC vehicle is registered.

Part X

It is further ordered, That no provision of this order shall be construed to limit, in any way, any private right of action which any individual, partnership, corporation or other entity might have against respondent or against any other party.

Part XI

It is further ordered, That the respondent shall forthwith distribute a copy of this order to each of its operating divisions, to its successors and assigns, and to each of its officers, agents, representa-

tives, or employees who are supervisors of any department engaged in the engineering of any vehicle or vehicle part sold by respondent.

Part XII

It is further ordered, That respondent notify the Commission at least thirty (30) days prior to the effective date of any proposed change in the respondent such as dissolution, assignment, or sale, resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

Part XIII

It is further ordered, That respondent shall within sixty (60) days after service upon it of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it intends to comply with this order. Respondent shall also within one hundred eighty (180) days after service upon it of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this order.

SEPARATE STATEMENT OF COMMISSIONER PERTSCHUK

The consumer comments received strongly criticized the Commission's decision not to seek redress for Chrysler owners who have suffered millions of dollars in damages due to balancer chain failures in certain Chrysler imports. These comments only strengthen my previously expressed feeling that this decision is not in the best interests of consumers. They vividly express my dismay with the fact that the Commission, despite getting a helping hand from Chrysler, did not walk the full mile to protect consumers in this instance.

Exhibit A

Oil Filter Manufacturers

AC Spark Plug Division
General Motors Corporation
1300 North Dort Highway
Flint, MI 48556

J.A. Baldwin Manufacturing Company
Kearney, NE 68847

Champion Laboratories, Inc.
P.O. Box 107
West Salem, IL 62476

PDI, Inc.
18451 Euclid Avenue
Cleveland, OH 44112

Ford Motor Company
Ford Parts & Services Division
P.O. Box 1902
1000 Schaefer Road, Room 308
Dearborn, MI 48121

Hastings Manufacturing Company
325 North Banover Street
Hastings, MI 49058

Ohio Filter Company
2658 Airport Road
Bethel, OH 45106

STP Corporation
1400 West Commercial Boulevard
Fort Lauderdale, FL 33310

Aeco-Mobile Systems, Inc.
200 Elm Street
Battle Creek, MI 49017

Campbell Filter Company
P.O. Box 880
Tulsa, OK 74101

Deluxe Filter Company
Walker Manufacturing Co.
1201 Michigan Boulevard
Racine, WI 53402

Fleetguard, Inc.
A Cummins Company
1340 River Bend Drive
Dallas, TX 75247

Fram Corporation
Fram Automotive Division
105 Pawtucket Avenue
Providence, RI 02916

Hutchens Industries, Inc.
2730 Melby Street
P.O. Box 184
Eau Claire, WI 54701

Purolator Products, Inc.
970 New Brunswick Avenue
Rahway, NJ 07065

Wix Corporation
P.O. Box 1967
Gastonia, NC 28052



Exhibit B

Sirs:

Enclosed please find Chrysler Specification MS 2999 which pertains to oil filters manufactured for use on certain Chrysler rear wheel drive vehicles. Please also be advised that MS 2999 does not apply to oil filters made for application on the Dodge Omni and Plymouth Horizon as well as on all Mitsubishi vehicles sold by Chrysler (Plymouth Arrow, Plymouth Arrow Pickup Truck, Plymouth Sapporo, Plymouth Champ, Dodge Colt, Dodge Colt Hatchback, Dodge Challenger, Dodge D-50 Pickup Truck). One of the reasons it does not apply to such vehicles is because such vehicles develop significantly higher oil pressures than most of Chrysler's domestic vehicles.

The oil filters manufactured for application on Omni/Horizon vehicles with a 1.7 liter engine should be able to withstand an internal hydraulic pressure of at least 290 psi while those manufactured for application on Mitsubishi vehicles should be able to withstand an internal hydraulic pressure of at least 256 psi. Of course, just because an oil filter meets a pressure standard does not make it proper for use on a vehicle unless the filter meets all the construction and dimensional requirements for the vehicle.

You should also be advised that owners of certain Mitsubishi vehicles are being notified by Chrysler Corporation that they should purchase oil filters for their vehicles which will withstand internal hydraulic pressures of 256 psi and should look for labels on the oil filter package and tell them this. Since oil filter boxes do not ordinarily provide this information to consumers, we would suggest specifically labeling the box of any oil filter recommended for use on these vehicles which meets the above pressure standard with a statement that the filter can withstand 256 psi.

Chrysler Corporation
Engineering Standards
and Product Information
Office

Enclosure

CHRYSLER CORPORATION MATERIAL STANDARD CHANGE - U
ASL Rec'd.

OIL FILTER - ENGINE LUBRICATING - FULL FLOW

A - GENERAL

- 1 - This standard covers full flow filter elements, replaceable filter element assemblies, and removable cartridge filter assemblies. The flow in all filter element designs shall be from outside in.
- 2 - The filter assemblies shall function in such a manner to provide clean lubricant at the required flow to maintain the proper operation of the engine and to insure adequate life. These filters are recommended for engine operation up to a maximum temperature of 275°F.

B - MATERIALS

- 1 - The filter media shall not consist of any abrasives of any type, and shall be so secured that it cannot be discharged into the engine lubrication system. This test is described in section E-4 of this standard.
- 2 - The filter elements and/or assemblies shall not contain any materials that disintegrate, dissolve in engine lubricating oils and their water mixtures, or are detrimental to engine wear or operation. These tests shall be conducted in accordance with Material Standard MS-CP60.
- 3 - The filter media shall be compatible with engine oil additives. All filter assemblies and elements shall be tested in accordance with paragraph 4.3.3 of Military Specification MIL-F-20707, except that the flow rate will be 2.5 gpm, the volume of test oil shall be 6000 ml, and the oil shall be Military Specification MIL-L-2104A Qualification No. M-54. The lubricating oil shall retain not less than 90% of its original additive content.
- * 4 - A filter element or filter assembly shall not show a pressure drop increase greater than 2.0 psi when tested using clean Military Specification MIL-L-15016 oil, symbol 3065, at 100°F. Hourly water additions of 6 ml shall be made to a sump containing 6000 ml of oil. A flow rate of 2.5 gpm shall be maintained for a period of 24 hours.
- 5 - Coatings such as paint or grit on metal housings or shells shall adhere satisfactorily and shall not be brittle, chip, or flake off, when in transit or when being handled in production.

(Continued)

* Denotes area of change from previous issue.

DATE	EFF. CODE	P. C. # NO.	CHANGE	RELEASES - CHANGES AND CANCELLATIONS	VOLUME
6-11-57	3/MC	70901-021	G: Standard updated		PAGE
1-17-68	3/SC	10107-021X	F: Para. D-2, D-6, E-3 and E-4-g revised		
7-26-49			Date Issued (Para. 7-60)		

NOTE: The above standards and/or specifications are for use in supplying orders of Chrysler Corporation or its subsidiaries. Suppliers should determine the currency of their copies prior to use. The risk of compliance with the current standards and/or specifications is on the suppliers. Distribution hereof to others, whether paid or free, is for information only. Copies are available from the Engineering Standards and Data Department, Engineering Office.

ENGINEERING OFFICE

CHRYSLER CORPORATION MATERIAL STANDARDC - WORKMANSHIP

- 1 - The inside surfaces and passages of all filters and/or assemblies shall be free from foreign materials such as dirt, scale, core sand, metal chips, slivers, etc.
- 2 - The adhesive used to secure the filter paper to the end caps shall be so adhered that the adhesive cannot be peeled from the end caps.
- 3 - All of the filter paper ends shall be adhered securely to the end cap adhesive. Physical removal of the paper shall cause tearing of the paper.
- 4 - The paper shall have no breaks or tears and shall have the pleat ends securely sealed either by a full length metal strip or by a cementing operation.
- 5 - Sealing gaskets which are part of a spin-on filter shall be fastened securely by mechanical means.
- 6 - Housings which are part of cartridge assemblies shall be securely fastened to the base by an acceptable double lock-seam. An assembly which has been dropped once on a concrete surface from a height of 2 feet on the lock-seam shall not leak air up to 100 psi.
- 7 - All welds shall show metal fusion. Distortion of welded parts shall cause tearing of the metal at the weld.

D - MECHANICAL AND HYDRAULIC STRENGTH

- * 1 - The elements and/or assemblies shall be of a suitable design to withstand 100 hours on a vibration test fixture without failure, distortion or leakage. The test assemblies shall be filled with SAE 30 oil and tested under a pressure of 70 psi. The test fixture shall meet the following or equivalent conditions:
 - a - The horizontal mounting platform of the vibration fixture shall be of sufficient rigidity to transfer the desired motion to the filter mounting without deflection.
 - b - The filter assembly shall be tested vertically with the filter base located 3.38 inches above the mounting platform.
 - c - Direction of motion shall correspond to the lateral vibration of the engine.
 - d - The static length of travel from one extreme to the other shall not exceed a range of 0.030 inches to 0.035 inches. In no case shall the total dynamic amplitude of the platform exceed 0.065 inches.

(Continued)

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VOLUME

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ENGINEERING OFFICE

CHRYSLER CORPORATION MATERIAL STANDARDD - MECHANICAL AND HYDRAULIC STRENGTH (Continued)

- 1 - e - The frequency shall vary from 500 cpm to 4000 cpm, and the cycle shall be repeated every 55 seconds while operating for 25% of the time at 4000 cpm.
- 2 - The sealed and spin-on filter assemblies shall withstand an internal hydraulic pressure of 200 psi for one minute without leakage. All assemblies including replaceable element designs shall withstand an internal air pressure of 100 psi for one minute without leakage or permanent deformation.
- * 3 - The filter assemblies shall withstand a minimum of 60,000 pulse cycles without leakage or failure at a rate of 30 cpm when operated hydraulically through a pressure range of 0 psi to 70 psi. The test fluid shall be SAE 10 or equivalent.
- 4 - The filter elements shall withstand a differential pressure of 50 psi without damage, channeling or collapse of the end caps or center tubes. These tests shall be conducted using a high viscosity fluid such as SAE-140 at a temperature range of 90°F to 100°F. The elements shall be tested using essentially the same supports as in actual usage.
- 5 - The filter elements shall withstand a differential pressure of 50 psi as noted in paragraph D-4, after operation with Military Specification MIL-L-2104-A oil, Qualification No. M-54, at 240°F with a rated flow of 2.5 gpm for a period of 40 hours.
- 6 - The shells, covers, housings, etc. in an assembly shall be made from materials having adequate strength for proper installation without distortion or malfunctioning in production and service.

Spin-on filter assemblies shall withstand a minimum tightening torque of 75 ft-lbs without stripping the attaching threads or loosening of any part of the attaching assembly. The filter base gasket shall be lubricated with SAE 30 oil and tested on a Chrysler filter base.

Spin-on filter assemblies incorporating removal features shall withstand a minimum tightening torque of 65 ft-lbs using the recommended removal tool designed for the specific purpose.

E - PERFORMANCE

- 1 - All pressure differential valves included in assemblies shall meet the requirements specified on the individual prints. The pressure rise above the valve opening pressure shall not exceed 5 psi when tested using a 38 SUS mineral oil at a flow of 6 gpm. The valve leakage using the same fluid at 3.5 psi shall not exceed a rate of 400 ml per hour.

(Continued)

NOTE: The above standards and/or specifications are for use in supplying orders of Chrysler Corporation or its subsidiaries. Suppliers should determine the currency of their copies prior to use. The risk of compliance with the current standards and/or specifications is on the suppliers. Distribution hereof to others, whether paid or free, is for information only.

Copies are available from the Engineering Standards and Data Department, Engineering Office.

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 CHRYSLER CORPORATION MATERIAL STANDARD

E - PERFORMANCE (Continued)

- 2 - The filters shall be checked for pressure drop using a 110 SUS mineral oil at 160°F. At a flow of 2.5 gpm, the pressure drop shall not exceed 3 psi on assemblies and 2 psi on elements.
- 3 - Filter assemblies incorporating anti-drainback valves shall show a leakage rate not exceeding 20 ml/hr. using a 45 SUS mineral oil at room temperature with a head of two feet. The test sample shall be initially flow flushed at a rate of 2.5 gpm for one minute using the test fluid. The leakage between the threads of the filter base and adapter shall be blocked during this test. The test assembly shall be installed finger tight plus 1/2 turn.

The anti-drainback valve shall conform to the above test conditions after being operated with Military Specification MIL-L-2104-A oil, Qualification No. M-54, at 240°F with a rated flow of 2.5 gpm for a period of 40 hours.
- 4 - The filter assembly shall show media migration not exceeding 5 milligrams per filter. The test shall be conducted in accordance with Military Specification MIL-F-0020627-A (Ships) paragraphs 4.5.3 and 4.5.4, except that the fluid used shall be Military Specification MIL-L-2104A, Qualification No. M-54, at 180°F with a flow of 2.5 gpm.
- 5 - The filter assemblies shall function properly without restricting the flow of oil to the engine at -20°F. A total of ten cold starts shall be a satisfactory test. This test will be conducted in the Chrysler Engineering Office Cold Test Laboratory.
- 6 - The filter life and average efficiency test shall be made using the SAE Lube Oil Filter Performance Test TR-160. The conditions of the test are:
 - * a - The test oil shall be heavy duty, SAE 30, as specified by the Coordinating Research Council Specification No. RFO-3. The source for this oil is
Southwest Research Institute
8500 Culebra Road,
San Antonio, Texas 78206
 - b - Volume of oil in sump: 6000 ml.
 - c - The test temperature at the filter shall be 160°F ±5°F.
 - d - The test shall be conducted using a flow of 2.5 gpm.
 - e - Oil samples shall be taken at the end of every 10 hour period and also at the end of the test.

(Continued)

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ENGINEERING OFFICE

MS-2999

CHRYSLER CORPORATION MATERIAL STANDARDE - PERFORMANCE (Continued)

- 6 - f - The contaminant add rate shall be 2.5 grams of dry solids per hour. The contaminant SOFTC-2A (Standardized Oil Filter Test Contaminant-Synthetic) is obtainable from:

Baltimore Paint and Color Works
2325 Annapolis Avenue
Baltimore, Maryland

The laboratory number for this material is X-7682. It shall contain 22% solids and 78% Military Specification MIL-L-15016 Straight Mineral Oil, symbol 3065. The specified composition is:

- (1) - Sixteen parts by weight of carbon black having an average size of 85 millimicrons.
- (2) - Two parts by weight of ferric oxide, 95% by count of the particles in the range from 0 to 5 microns.
- (3) - Four parts by weight of PV resin.
The particle sizes of this material are as follows:
100% to pass through a 30 mesh screen.
90% to pass through a 80 mesh screen.
60% to pass through a 200 mesh screen.

- g - The limiting differential pressure, life and efficiency for the test shall be as listed below:

PART NO. OR EQUIV.	PRESSURE DIFFERENTIAL, PSI	LIFE HOURS, MIN.	MIN. AVERAGE EFFICIENCY %
1851658	8	30	75

* F - CONTROL

- 1 - Chrysler Engineering Office Mechanical Development Laboratory approval must be obtained on original production samples and samples made after Material, Process, or design changes.
- 2 - The filters covered by this standard shall be purchased only from sources which appear on the Chrysler Engineering Approved Source List. This information can be obtained from the Chrysler Corporation Purchasing Department.
- 3 - This standard refers to the following standard.

Material Standard MS-CP60

" " " " "

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Exhibit C

Technical Service Bulletin

Service & Parts Division

Technical Information +
Professional Service =
Customer Satisfaction



Of Interest ☐ General Manager ☐ Sales Manager ☐ Service Manager ☐ Parts Manager ☐ Service Technicians

Some reported oil filter leakages have resulted in serious engine damage to MMC vehicles of various model years, caused by using inadequate aftermarket oil filters.

To avoid leakage and engine damage due to the use of improper filters, owners of these vehicles should use an oil filter which will withstand 256 pounds per square inch of oil pressure, such as the filters indicated below:

Model	Part No.
All MMC except Champ and Colt Hatchback models	MD 001445
Champ and Colt Hatchback models only	MD 030795

Note:

Issuance of the above cancels MoPar Oil Filter (L-42) #4026486 previously specified. See Parts Marketing #XX-XX-XX

Models

MMC Passenger
Cars and Trucks

Subject

Oil Filter
Usage

Index

Engine

Date:

XX-XX-XX

No.

XX-XX-XX



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Parts Marketing Bulletin

PARTS SALES AND SERVICE



ATTENTION: ☒ DEALER ☒ SERVICE MANAGER ☐ INSERT INTO MARKETING
☒ SALES MANAGER ☒ PARTS MANAGER PROGRAMS BINDER UNDER
TAB _____

SUBJECT: OIL FILTERS - #4026486 (L-42) NUMBER _____

All Dealers are requested to examine their stock of oil filters.

Any (L-42) #4026486 Oil Filters that are in stock should be returned for credit via normal M.R.A. (Material Return Authorization) procedures.

The subject filters should not be used.

This bulletin will act as your authorization to return subject oil filters to your facing depot.

M. G. KELLY
Marketing Manager



THE NEW CHRYSLER
CORPORATION

Wholesaler Bulletin

0417

Mopac

No. xxxxxxxx
Date xxxxxx

SUBJECT: Oil Filters - #4026486 (L-42)

All Warehouse and Jobber Distributors are requested to examine their stock of oil filters.

Any (L-42) #4026486 Oil Filters that are in stock should be returned for credit via normal M.R.A. (Material Return Authorization) procedures.

The subject filters should not be used.

This bulletin will act as your authorization to return subject oil filters to the Indianapolis Depot.

M. G. KELLY
Marketing Manager

Warehouse Distributor Bulletin
General Information

No. xxxxxxxx
Date xxxxxx

SUBJECT: Oil Filters - #4026486 (L-42)

All Warehouse and Jobber Distributors are requested to examine their stock of oil filters.

Any (L-42) #4026486 Oil Filters that are in stock should be returned for credit via normal M.R.A. (Material Return Authorization) procedures.

The subject filters should not be used.

This bulletin will act as your authorization to return subject oil filters to the Indianapolis Depot.

M. G. KELLY
Marketing Manager

EXHIBIT G

IMPORTANT MAINTENANCE INFORMATION

Dear Owner:
Our records show that you are the owner of a Dodge Colt, Dodge Challenger, Plymouth Arrow, Plymouth Sapporo, Plymouth Arrow Pickup, Dodge D-50 Pickup, Plymouth Champ or Dodge Colt Hatchback which has either a 1600 cc engine with a 1971-1980 model year designation or a 2000 cc engine with a 1974-1980 model year designation.

**THE PROBLEM:
WEAK FILTERS**

Certain kinds of replacement oil filters may not be strong enough to withstand the pressure in your car's lubricating system, particularly in cold weather. Weak oil filters can cause serious engine damage. What happens to cause the damage is this: If an oil filter is too weak, it may suddenly spring a leak. If the filter leaks, the engine loses oil and does not get enough lubrication and the engine may be very seriously damaged.

**WARNING:
PROTECT YOUR
ENGINE**

It is strongly recommended that you buy a new replacement oil filter now. A replacement filter costs only a few dollars. You must use a brand of filter strong enough to withstand 256 pounds per square inch of oil pressure. (Look on the oil filter box for a label with this information.) Chrysler's Mopar Filters (Part Number MD001445 for all vehicles except Champ and Colt Hatchback, and Part Number MD030795 for Champ and Colt Hatchback vehicles) meet the needs of your vehicle. These filters can be bought at any Chrysler Corporation dealer or auto parts store carrying this brand.

**REPLACE THE
FILTER SOON**

If your car has the wrong kind of replacement filter, you should not postpone buying a new filter.

If you are leasing your car to another person, please make sure the person leasing it from you sees this notice.

CHRYSLER CORPORATION

Please staple or tape this notice to your Owner's Manual.

**CHRYSLER
CORPORATION**

416-15-19
P. O. BOX 1919
DETROIT, MICHIGAN 48288 U.S.A.

IMPORTANT NOTICE

Complaint

99 F.T.C.

IN THE MATTER OF

GIFFORD-HILL-AMERICAN, INC.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 7 OF THE CLAYTON ACT AND SEC. 5 OF THE FEDERAL TRADE
COMMISSION ACT*Docket C-3085. Complaint, Feb. 23, 1982—Decision, Feb. 23, 1982*

This consent order requires a Grand Prairie, Texas producer and seller of concrete pressure pipe and fittings, among other things, to timely divest the entire "Kansas City Plant" to a Commission-approved buyer, capable of maintaining the plant as a competitive entity. Additionally, for a five year period, the company is required to offer the acquirer of the divested plant the opportunity to purchase essential products and services which are not generally available. The order also prohibits the company from acquiring any concern engaged in the production of concrete pressure pipe without prior Commission approval for a period of ten years.

Appearances

For the Commission: *Jerry A. Philpott, Claudia R. Higgins, Martha H. Oppenheim and Franklin M. Lee.*

For the respondent: *Bertram Kantor, Wachtell, Lipton, Rosen & Katz, New York City.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Gifford-Hill-American, Inc. ("GHA"), a corporation subject to the jurisdiction of the Commission, has acquired the assets of the Lock Joint Products Division ("Lock Joint") of Interpace Corporation ("Interpace"), a corporation subject to the jurisdiction of the Commission, in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. 45, and that a proceeding in respect thereof would be in the public interest, hereby issues this complaint, pursuant to Section 11 of the Clayton Act, as amended, 15 U.S.C. 21, and Section 5(b) of the Federal Trade Commission Act, as amended, 15 U.S.C. 45(b), stating its charges as follows:

I. Definitions

1. For the purposes of this complaint the following definitions shall apply: