



To: MTD Service Dealers

From: MTD Warranty

Date: January 8, 2008

Topic: Reduction of Warranty Claim Denials and Returns

In 2008 the MTD Warranty Group will continue to strive to improve our services to you so your business can be more profitable. Services are provided via phone by calling 1-800-959-4683 (Service Dealers Only) or on the dealer support site at www.mtdtech.com. The dealer support site offers several opportunities to help you save time

Key Benefits of Using the Dealer Support Site

- Warranty Claim Processing
- Subscription service to receive service kits and bulletins as they come out.
- Instant access to all service kits 24/7
- Access to service manuals as they come out 24/7
- Warranty policies and time guides.
- Frequently Asked Questions to help find answers 24/7
- Questions regarding warranty or technical support can be submitted via email
- Free Parts Look-Up

An area of concentration for 2008 is to continue to reduce the number of warranty claims denied and returned. The following claim data from 2007 are good indicators of what we can continue to concentrate on for reduction of the return and denied claims.

Top 3 reasons why claims were returned for 2007 as a percentage of claims processed.

1. 40% Return part for inspection.
2. 28% Serial number is incorrect.
3. 18% Manufacture's defect is not clearly defined.

A returned claim can be avoided by double checking for correct serial number and providing clear explanation as to why a warranty repair was conducted. A clear explanation and justified labor time can help a claim be processed quicker.

Top 3 reasons why claims were denied for 2007 as a percentage of claims processed.

1. 25% Charges not allowed. Examples would be failures due to improper display, set up, installation, storage, or shipping damage.
2. 15% Claims received beyond 30 days from date of repair.
3. 15% Out of 30 day limited normal wear part warranty.

A denied claim can be avoided by making a determination if the failure is an actual manufacture's defect. Make the determination if the failure is due to examples that include component failure or factory assembly. The consumer warranty does not cover improper display, set up, installation, storage, normal maintenance, and shipping damage.

Filing claims within 30 days from date of repair will also save time and aggravation. If you have out dated or claims that have gone beyond the 30 days, it is suggested that you call us and discuss your situation. Part of Service is that we try our best to reach an agreement or compromise that will benefit the dealers as our customers.

Jeff Marvin
Manager
MTD Customer Service and Sales